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CARCANI LIBERATION ANNIVERSARY SPEECH REPORTED

AU301805 Tirana ZERI I POPULLIT in Albanian 28 Nov 84 p 1

[Opening speech delivered by Adil Carcani, AWP Central Committee Politburo member and chairman of the Council of Ministers, at 27 November solemn meeting in Tirana on the occasion of the 40th anniversary of Albania's liberation]

[Text] The 29th of November 1944, the day of our people's genuine revival, was achieved through the barrel of the rifle, through a prolonged struggle filled with sacrifices. On this heroic road of numerous struggles and sacrifices our party was led by the Albanian Communist Party, which was founded on 8 November 1941 by the much beloved and dear leader of our party and people, Comrade Enver Hoxha.

During the 40 years of free Albania, our people, led by the party, performed other heroic deeds and attained magnificent achievements in all fields of life. From the most backward country in Europe before liberation, Albania has become today a country with the most advanced socioeconomic system in the world. It has a powerful economy, and socialist education, culture, and art that are continually prospering. It has an invincible defense. The People's Socialist Republic of Albania is appreciated and respected in the world for its correct and consistent policy, for its resolute opposition to the aggressive policy of the imperialist superpowers and other forces of reaction, and for its sincere support of the revolutionary and liberation struggle of the peoples.

Friendly delegations from various countries have honored us by coming here to celebrate together with us the 40th anniversary of the liberation. Allow me, in your name and in the name of the whole Albanian people, to cordially thank all the delegations and individual friends participating in our jubilee.

I declare open the solemn meeting devoted to the 40th anniversary of the country's liberation and the triumph of the people's revolution.

MARXIST INTERNATIONAL THEORETICAL CONFERENCE ENDS

Husak, CPSU's Ponomarev Speak

LD062108 Prague Domestic Service in Czech and Slovak 1700 GMT 6 Dec 84

[Text] Gustav Husak, general secretary of the CPCZ Central Committee and president of the Republic, received in Prague Castle today in the presence of Vasil Bilak, member of the Presidium and secretary of the CPCZ Central Committee, and Jan Fojtik, candidate member of the Presidium and secretary of the CPCZ Central Committee, the heads of communist and workers' parties attending the conference discussing the activities of the journal WORLD MARXIST REVIEW.

Comrade Gustav Husak greeted on behalf of the CPCZ Central Committee all Czechoslovak Communists and, on his own behalf, the leading representatives of the international communist and workers' movement who had met to exchange views on the work of the journal WORLD MARXIST REVIEW. The authority of the journal, he went on, has been growing year by year. It popularizes experiences from the activity of communist, workers', and revolutionary movements. It stands at the forefront of the struggle for peace, for averting a nuclear war, and for disarmament. It explains the peace initiatives of the Soviet Union and the socialist countries, and makes its readers familiar with the theoretical and practical questions of socialist construction. It generalizes experiences from the struggle of the working class for political and social rights, from the struggle of progressive forces in the developing countries against neocolonialism, racism, Zionism, and apartheid. Discussions on the pages of the journal help clarify views on topical questions of the communist and workers movement. Its share in the creative development of Marxism-Leninism, in exposing all forms of anticommunism, and in the criticism of bourgeois and opportunist ideologies is significant.

The communist movement, Comrade Gustav Husak went on to emphasize, has always felt a big responsibility for the destinies and perspectives of the world. Owing to the most reactionary forces of imperialism, the world is, however, once again standing at a crossroads, and the questions of war and peace, on whose solution depends the future of mankind, have come into the forefront. Along with all peace-loving forces, communists consider doing everything possible for the maintenance of an enduring peace, for averting the threat of a nuclear catastrophe, and for disarmament to be the most important task. The struggle for the preservation of peace at the same time is making a significant contribution to the progressive development of the world, and the struggle of nations for national and social liberation and for rebuilding the system of international relations. As Comrade Gustav Husak said, a policy of confrontation is alien to socialism. This is why in the current complicated international situation the Czechoslovak people, along with all progressive peace-loving forces in the world, highly appreciate the principled policy of the Soviet Union aimed at strengthening security and peace in the world. We welcome the initiative of the Soviet Union to open new talks with the United States on a complex of questions concerning nuclear and space weapons, which would lead to an end to the feverish arms buildup, the prohibition of nuclear weapons, and finally the total elimination of nuclear weapons. Comrade Gustav Husak voiced the conviction that the present conference will become a further impulse towards strengthening the internationalist unity of the communist movement and its role in the struggle for peace and progress in the world.

Boris Ponomarev, candidate member of the Politburo and secretary of the CPSU Central Committee, then spoke on behalf of the representatives of the communist and workers' parties present. He thanked the CPCZ Central Committee and Comrade Gustav Husak personally for creating a good climate for successfully conducting the conference.

He told Comrade Husak that the participants in the conference had examined the work of the journal and voiced the views of their respective parties on fundamental current issues and stressed the responsibility of the communist and workers' parties for the fate of civilization and the happy future of nations. Comrade Boris Ponomarev said history has placed special responsibility on the ruling parties of the socialist countries. These parties are guiding the building and perfecting of the new society and are strengthening the positions of real socialism. The communist parties of these countries are doing everything possible to defend our planet against a thermonuclear catastrophe. Along this road the socialist countries have accumulated invaluable experiences, which are important for all mankind. The most important thing is that we are fighting for the right cause, that we are saving mankind from a war. On this basis our cause is gaining ever increasing popular sympathy. For the success of this struggle, as had been stated at our conference, communists will expend all their strength and energy, stressed Comrade Boris Ponomarev.

Afterwards Comrade Gustav Husak remained with the participants in the meeting and had a cordial conversation with them.

Hungary's Szuros Speaks

LD061057 Budapest Domestic Service in Hungarian 1730 GMT 5 Dec 84

[Text] At the Prague conference on the periodical PEACE AND SOCIALISM, the head of the Hungarian delegation, Matyas Szuros, made a speech. In his speech the secretary of the party's Central Committee analyzed the international situation and Hungarian foreign policy activity. A report by Szabolcs Udvarhelyi follows:

When analyzing international relations, the MSZMP takes as its point of departure the conclusion that tension has left its mark on the past years; nevertheless no efforts have managed to fully destroy the results of the previously established detente. This, among other things, was emphasized by Matyas Szuros, secretary of the Central Committee.

Besides phenomena of confrontation, elements of detente and cooperation exist now too, and these exert their effect together, he said. He recalled also that among the causes of confrontation, the efforts of extreme imperialism to turn back, by every means possible, the increase in the influence of socialism, should be emphasized.

Responsibility for the aggravation of tensions rests with the governments of the West European countries, which accepted the new American missiles. In spite of this, however, certain West European states have been able to exert a certain moderating influence on the policy of confrontation.

In the past, the Hungarian party and Government have endeavored, in harmony with the common goals of the foreign policies of the socialist countries, and in accordance with our national interests, to maintain dialogue and mutually advantageous cooperation with the capitalist countries, as well as with every force interested in the preservation of peace and detente. Hungarian foreign policy, as much as possible, has tried to prevent a further deterioration of the international atmosphere, and it has tried to promote efforts aimed at the improvement of relations.

In his speech, Matyas Szuros also said that in the tense international situation, the answers to the new questions of social development require to an increasing extent studying existing socialism and the experiences of the fraternal parties, and strengthening the unity of the socialist countries and their parties. During the construction of socialism, it is always necessary to weigh carefully the common regularities and the particular circumstances of the individual countries.

Referring to the situation of the communist and fraternal parties functioning in the capitalist countries, Matyas Szuros stated that views which differ from the generally accepted fundamental principles, which underrate the results of other parties or demand an account of own stances from others [as heard] cause unnecessary tensions in the parties' relations and weaken the strength of joint action. At the same time, contradictions and debates, according to the laws of dialectics, are necessary concomitants of development.

The MSZMP attributes great importance to the individual parties discussing their differing views in a flexible, principled manner and within a businesslike framework so that it should help unify and augment Marxism-Leninism in a creative manner, Matyas Szuros emphasized.

Szuros on Divergent Opinions

LD070610 Budapest in English to Europe 2100 GMT 6 Dec 84

[Vera Sarkany Report on "International Newsroom" program]

[Text] Matyas Szuros, secretary of the Hungarian Socialist Workers Party Central Committee in charge of foreign affairs, spoke about the main goals of Hungarian foreign policy. Mr Szuros outlined Hungary's foreign policy priorities when addressing a meeting in Prague of representatives of 90 communist and workers parties involved in editing the theoretical periodical WORLD MARXIST REVIEW. He said the struggle of the socialist countries, the communist and workers parties for peace and social progress necessitated a unity and joint action on the international scene. There is a common (?stance); it is indispensable to have regular bilateral and multilateral consultations for the better understanding of each other's experience and idea. It is all the more necessary because the parties hold different views (?on the same question). Although guided by common [words indistinct] social progress they (?make) their policies independently in harmony with their country's traditions, specialties, and national interests. It is quite natural because working under different conditions diverting opinions can emerge when analysing such key issues as, for example, the concrete setup of a future socialist society or the road leading to socialism.

Due to the specific interest of their countries or one or another region, the parties may approach certain international questions differently.

Mr Szuros stressed that the HSWP recognised the right for creative search of a road to socialism and is of the opinion that diverging views should be discussed in a flexible and principled manner so that it would promote unity. Attitudes belittling the results of other parties or (?methods) that differ from the generally accepted ones or (?parties) that expect others to adopt the stance of others create unnecessary tensions and weaken joint action. At the same time Mr Szuros emphasized that while diverging opinions could exist concerning individual concrete issues, the common ideas and laws could not be lost sight of.

On the basis of the coordinated foreign policy of the socialist countries and the common objectives and at the same time in line with the national interest, Hungary and its party have been working for detente and the preservation of peace.

Conference Evaluated

LD062349 Prague Domestic Service in Czech 2030 GMT 6 Dec 84

[Text] At the close of the international conference on the work of the magazine WORLD MARXIST REVIEW, the representatives of communist and workers' parties unanimously adopted an information report on the results of the conference.

It states that delegations of 91 parties took part. A report of the editorial collegium and the editorial council about the activity of the magazine from November 1981 to November 1984 was discussed. The participants of the conference evaluated the activity of the magazine and put forward concrete points and proposals in the interest of improving its collective publication further. Particular attention was given to questions strengthening peace and the security of nations in the struggle against the aggressive policy of imperialism and to the enlightenment gained from all-round experiences in the fight of the communists.

The representatives of fraternal parties recommended that the editorial collegium and the editorial council take into consideration the wishes expressed so that the international collective of the WORLD MARXIST REVIEW will continue working in the spirit of equality, cooperation, and respect for the interests of each party and will contribute to spreading and implementing the ideals of peace, democracy, national liberation, and socialism in order to strengthen the security and solidarity of all progressive forces.

The conference took place in an open and comradely atmosphere.

The CPCZ Central Committee organized a friendly evening meeting for the participants of the international conference of representatives of communist and workers' parties concerning the activity of the magazine WORLD MARXIST REVIEW.

SED May Host World CP Conference

AU061621 Belgrade Domestic Service in Serbo-Croatian 1400 GMT 6 Dec 84

[Text] According to the assessments in the Soviet press, the idea of organizing another world conference of the communist and workers parties received great support at the gathering of representatives of over 90 parties in Prague. According to Soviet information media quoted by TANJUG, the SED could assume the role of coordinator in preparing the conference, the first since 1969 when a world conference of the communist and workers parties was held in Moscow.

The subject of the new conference would be limited to the role of the communist and workers parties in preventing nuclear war and armaments. It is not reliably known whether this would be the only subject.

'Meager' Communique Released

[Excerpt] Prague, 6 Dec (TANJUG) -- The communique released at conclusion of the international consultative meeting of communist and workers' parties formally involved in the work of the theoretical periodical PROBLEMS OF PEACE AND SOCIALISM was published in Prague this evening.

Contrary to expectations, the communique is very meager, and apart from enumerating the parties which participated in the meeting (a total of 91 parties), it contains practically no significant political accents to which the 3-day discussion referred. The communique notes that the meeting paid particular attention to the problems of consolidating peace and security of peoples and of opposing the aggressive policy of imperialism.

Neither the communique nor any other information on the meeting refers to the proposal to convene a world consultative meeting of communist and workers' parties. This fact caused confusion among observers in Prague because other centers had allegedly reported that such an initiative was raised at the Prague meeting.

HAEBER, FRG'S SCHAEUBLE DISCUSS RELATIONS, ARMS RACE

LD061422 East Berlin Voice of GDR Domestic Service in German 1300 GMT 6 Dec 84

[Text] Herbert Haeber, Politburo member and secretary of the SED Central Committee met today with the head of the Federal Chancellor's office of the FRG, Minister Wolfgang Schaeuble. In the meeting Herbert Haeber described a halt to the arms race as the basic question of our time. Both German states have a great responsibility for peace and security in Europe. This obligation derives from historical events and international law and means everything must be done to ensure that war never again emanates from German soil. Herbert Haeber stressed the need for a coalition of reason and realism in order to avert a nuclear inferno and to return to detente. Relations between the two German states do not exist independently from the overall international situation. The worsening of the latter also burdens relations between the GDR and the FRG. Conversely, a constructive development of East-West relations would also have a positive influence on relations between the two German states. With reference to the forthcoming talks between the USSR and the United States, Herbert Haeber expressed the hope that comprehensive negotiations on nuclear and space-based weapons would lead to an agreement between the two states which will include related questions concerning the non-militarization of outer space, the reduction of strategic nuclear weapons and nuclear medium-range missiles on the basis of equality and equal security.

Schaeuble on Fischer, Haeber Talks

LD061654 Hamburg DPA in German 1524 GMT 6 Dec 84

[Text] East Berlin, 6 Dec (DPA) -- Chancellory Minister Wolfgang Schaeuble in his talks with GDR Foreign Minister Oskar Fischer and SED Politburo member Hergert Haeber, has "sharply condemned" the shootings at the Berlin Wall, where last weekend according to Western observations, a person had been shot. Schaeuble, who is responsible for German policy, on Thursday afternoon told journalists in East Berlin that he "had made it clear, than an end must now be put to the use of force at the border." The conditions at the borders, and the most recent incident in Berlin proved "how far we still are from normality in relations."

Schaeuble, based on his own information, also announced the federal government's willingness to take up talks with the GDR on financial participation in the complete renovation of a stretch of the autobahn to Hirschberg in the Schleiz Section in Thuringia. In this area, the transit autobahn between East Berlin and Bavaria is in a particularly bad condition.

Humanitarian questions were also discussed in the talks, Schaeuble reported, but he did not wish to comment on the details. In the solution of practical, humanitarian problems one ought not to allow oneself to be obstructed by differences on questions of principle, Schaeuble said.

Schaeuble said that the talks were conducted in a friendly atmosphere, which was both frank and "in certain matters difficult." They agreed on the responsibility of both states for peace and for people. They also agreed that the German-German relationship and the international situation are interrelated, that the two states cannot cut themselves off from the general East-West relationship, but that they can "go some way towards helping to influence" it.

The Federal Government is interested in substantial progress in bilateral relations. Relations must be developed in the interests of people to make the consequences of the division (of Germany) more bearable. He pointed out that peace, above all and beyond guaranteeing external security, "must be made more tangible for people in their daily lives through more civil liberties, more contacts, and more humanity", Schaeuble said.

No concrete negotiations have been conducted in the talks, but a whole series of topics have been discussed. Schaeuble included among these: improvements in travel, youth exchanges, sports meetings, contacts at local levels, the current cultural negotiations, and the common responsibility for the environment. He told Fischer of the Federal Republic's readiness to put into effect this year the agreement on cross-border potash mining on the Werra. He linked this with the expectation that negotiations on the desalination of the Werra and pollution reduction in the Elba will be continued rapidly and concrete results achieved soon.

SED-SPD TALKS ON CW END, WILL MEET AGAIN IN FEB

LD062313 East Berlin ADN international Service in German 1800 GMT 6 Dec 84

[Text] Representatives of the SED Central Committee and the SPD executive ended the third round of their talks on a ban on chemical weapons in Berlin today. They agreed to meet again in Bonn in February. Both sides again made a strong plea for a chemical-weapons-free zone in Europe.

SPD's Voigt on Talks

LD061822 Hamburg DPA in German 1652 GMT 6 Dec 84

[Text] East Berlin, 6 Dec (DPA) -- Representatives of the SPD and the SED want to continue their talks in Bonn in February on the creation of a zone free from chemical weapons in Europe. Following 2 days of discussions in East Berlin, SPD Bundestag deputy Karsten Voigt told journalists today that a result is being sought that will provide a stimulus for government negotiations. They want to continue talking to each other until agreement has been achieved on all details. Voigt would not say what form of initiative will be taken.

The two parties began their contacts on this question in July. This was at the third round of talks in which disarmament expert Egon Bahr took part, as well as Voigt for the SPD, and Politburo member Hermann Axen for the SED.

Voigt expressed the conviction that the GDR will adhere to its course of "damage limiting" and a policy of balancing interests. In this it attaches particular significance at the moment, within the framework of the East-West dialogue on arms limitation, to the prevention of the militarization of space. Regarding the German-German relationship, he warned against falling "below the substantial level" of the communique of the meeting between the then chancellor Helmut Schmidt and GDR state and party leader Erich Honecker.

BEIL HOLDS TALKS WITH CRAXI, TRADE OFFICIALS

LD052257 East Berlin ADN International Service in German 1753 GMT 5 Dec 84

[Text] Rome, 5 Dec (ADN) -- State Secretary Dr Gerhard Beil, member of the GDR Council of Ministers, was received by Italian Prime Minister Bettino Craxi for a talk in Rome today. He conveyed cordial greetings from Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR Council of State, which Bettino Craxi reciprocated with equal cordiality.

During the meeting, which took place in an open and constructive atmosphere, Gerhard Beil handed over a personal message from Erich Honecker. Bettino Craxi took this opportunity to repeat the invitation to Erich Honecker to pay an official visit to Italy.

Taking as their starting point the agreements signed during the Italian prime minister's visit to the GDR, they praised the high standard of relations between the two states. Bettino Craxi noted that the talks with Erich Honecker and the agreements signed had given a fresh impulse to bilateral relations.

In the talks the determination was expressed to strengthen cooperation between the two countries in the interest of safeguarding peace and detente.

During his stay in Rome, State Secretary Dr Gerhard Beil had talks with the Italian minister for foreign trade, Nicola Capria, and the minister for government holdings, Clelio Darida, in which specific measures for the development of trade in 1985 were discussed.

In a talk with Luigi Lucchini, president of the Association for Industry, the umbrella organization for Italian private industry, Lucchini expressed Italian private industry's particular interest in expanding economic relations with the GDR and spoke about the participation of Italian companies in the 1985 Leipzig Spring Fair. In an ensuing meeting with the presidents of the industrial associations, suggestions for cooperation between GDR combines and foreign trade enterprises and Italian firms were discussed.

SED CC GREET'S CPSU'S DOLGIKH ON BIRTHDAY

AU061123 East Berlin NEUES DEUTSCHLAND in German 5 Dec 84 p 1

[Text] Berlin (ND) -- The SED Central Committee has sent a congratulatory message, signed by Erich Honecker, general secretary of the SED Central Committee, to Vladimir Ivanovich Dolgikh, candidate member of the Politburo and secretary of the CPSU Central Committee which reads as follows:

Dear Comrade Vladimir Ivanovich Dolgikh, with great pleasure I convey to you cordial congratulations on your 60th birthday on behalf of the SED Central Committee, its Politburo and on my own.

We very highly appreciate your active personal contribution to deepening cooperation between our two parties and states, particularly in the economic sphere, and to further development of the socialist economic integration of the CEMA member-countries. Permit me to very cordially thank you for this today.

We wish you great new successes in your responsible activity in implementing the decisions of the 26th CPSU congress, best health and creative vigour.

COUNCIL ELECTS 3 NEW DEPUTY PREMIERS, OTHERS

LD061946 Budapest Domestic Service in Hungarian 1730 GMT 6 Dec 84

[Excerpts] The PPF National Council Presidium, chaired by Chairman Gyula Kallai, held a session on 6 December. It heard a report presented by Janos Kadar, first secretary of the MSZMP Central Committee, on the Central Committee's 4 December session. The Presidium discussed, accepted, and endorsed the MSZMP Central Committee's proposals on personnel. Endre Papp reports:

[Papp] At today's session the Presidential Council, on the recommendation of the MSZMP Central Committee and PPF National Council Presidium, relieved Deputy Premier Janos Borbandi of his post due to his retirement, while recognizing his merits. Laszlo Marothy and Judit Csehak were appointed deputy premiers. Defense Minister Lajos Czinege was relieved of his post and was appointed at the same time as deputy premier. Health Minister Emil Shultheisz was relieved of his post due to his retirement, while his merits were recognized. Laszlo Medve, state secretary of the Health Ministry, was relieved of his post and at the same time appointed minister. Colonel General Istvan Olah was appointed defense minister. Colonel General Karoly Csemi, state secretary of the Defense Ministry, was relieved of his post due to retirement, while his merits were recognized. At the same time Lieutenant General Lajos Morocz was appointed state secretary of the Defense Ministry. Imre Hutas was appointed state secretary of the Health Ministry.

Laszlo Marothy, Lajos Czinege, Judit Csehak, Laszlo Medve, and Istvan Olah were sworn in before Pal Losonczi at the National Assembly's Nandorfehervar Hall. Janos Kadar, first secretary of the MSZMP Central Committee; Gyorgy Lazar, chairman of the Council of Ministers; Gyula Kallai, chairman of the PPF National Council; and Imre Katona, secretary of the Presidential Council, were present.

[Budapest Domestic Service in Hungarian at 1730 GMT on 6 December 84 adds: The Budapest party committee has elected Karoly Grosz first secretary [a position previously held by Marothy].

BUDAPEST, MTI GIVE BIOGRAPHIES OF OFFICIALS

Marothy

LD062201 Budapest MTI in English 1807 GMT 6 Dec 84

["Laszlo Marothy -- Biographical Notes" -- MTI headline]

[Text] Budapest, December 6 (MTI) -- Dr Laszlo Marothy, deputy chairman of the Council of Ministers, was born in 1942 in Szeghalom. He qualified and later took a doctor's degree, from the Agricultural Sciences University of Godollo. He worked as secretary of the Pest County Committee of the Communist Youth Union of Hungary (KISZ) between 1965 and 1967, then as head of a subdepartment at the Agricultural Sciences University of Godollo. He has been a member of the party since 1965. In 1970 he was elected first secretary of the Szentendre City Committee of the HSWP. He then became first secretary of the Communist Youth Union Central Committee, and has been first secretary of the Budapest party committee since 1980. He has been a member of the HSWP Central Committee since 1973, of the Political Committee since March 1975, and is representative of Budapest's No 33 electoral district in the National Assembly.

Csehak, Czinege, Medve, Olah

LD062211 Budapest Domestic Service in Hungarian 1730 GMT 6 Dec 84

[Excerpts] Judit Csehak was born in 1940. She obtained a degree at Budapest Medical University. She worked as an assistant doctor and then as a national health insurance doctor. From 1975-1977 she was a secretary of the central leadership of the Health Workers Trade Union was then elected secretary of the National Trade Union Council.

Lajos Czinege was born in 1924 in Karcag. He has been a member of the party since 1944 and until 1951 filled various party offices. He then worked as chief of the Political Department in the Ministry of Defense. He worked as first secretary of the Szolnok County party committee from 1957-60. He was appointed minister of defense in 1960.

Laszlo Medve is 56 years old. He is a doctor, and studied at Budapest Medical University. First he worked as a hospital intern and then as section chief at the ministry. He was the chief of a subdepartment of the party's Central Committee from 1970-74. Then he was appointed deputy minister of health, and later state secretary.

Colonel General Istvan Olah was born in 1926. He volunteered for the new Hungarian Army in 1945. Four years later he completed the Lajos Kossuth, and later the Miklos Zrinyi Military Academies, and in 1964 the General Staff's Academy of the Soviet Union. He was appointed deputy minister of defense in 1966, and chief of General Staff of the Hungarian People's Army 7 years later.

NATIONAL ASSEMBLY TO CONVENE 19 DECEMBER

LD062128 Budapest Domestic Service in Hungarian 1730 GMT 6 Dec 84

[Text] At its session today, the Presidential Council decided to convene the National Assembly on 19 December. The Council of Ministers proposes that parliament should put the draft law on next year's state budget on the agenda.

Pal Losonczi then briefed the Presidential Council on his Southeast Asia journey. The body agreed with the report and decided that the discussions conducted by the president of the Presidential Council in Indonesia, Vietnam, Kampuchea, and Laos served our foreign political goals and contributed to the development of relations. The Presidential Council then amended the decree on water management associations, thus enabling the inner district associations to conduct water management.

IRAN'S VELAYATI CONTINUES TALKS WITH MINISTERS

Meeting With Varkonyi

LD061646 Budapest Domestic Service in Hungarian 1500 GMT 6 Dec 84

[Text] Hungarian-Iranian relations can be expanded by mutual efforts in the interest of both countries. This was confirmed in Budapest by the two foreign ministers, Peter Varkonyi and 'Ali Akbar Velayati. In their discussion they reviewed the international situation, paying particular attention to the development of the world economy and the difficulties faced by the developing world. They expressed their anxiety at the prolonging of the Middle East crisis and, condemning separate bargainings, they called for a comprehensive settlement which would ensure the rights of Palestinians.

After this the Hungarian and Iranian foreign ministers outlined their respective standpoints on the Iraq-Iran war and on questions related to the security of the Persian Gulf and the Indian Ocean. Iranian Foreign Minister Velayati has been staying in Hungary since yesterday.

Meeting With Veress, Hetenyi

LD070445 Budapest Domestic Service in Hungarian 2100 GMT 6 Dec 84

[Excerpt] The Iranian foreign minister, who arrived in our country yesterday evening, today held talks with Minister of Foreign Trade Peter Veress and Minister of Finance Istvan Hetenyi concerning the expansion of the two countries' commercial, economic, and financial cooperation. In the evening, Peter Varkonyi gave a gala dinner in honor of Iranian Foreign Minister Velayati.

MSZMP CC GUIDING PRINCIPLES FOR 13TH CONGRESS

AU041431 Budapest NEPSZABADSAG in Hungarian 1 Dec 84 Supplement pp 3-30

["MSZMP Central Committee's Guiding Principles for the Party's 13th Congress" adopted by the Central Committee's 15 November session; special supplement inserted in NEPSZABADSAG]

[Text] In the last 5 years our socialist society has developed in accordance with the resolutions endorsed at the 12th MSZMP Congress. As a result of our people's work, we have advanced on the path of social progress.

The socialist order of society, the power of the working people, is firm in our country. Socialist national unity is firm, and the domestic political situation is stable. Our people are living in peace and security and they identify with and support the party's policy. In recent years the country's assets have grown, we have retained our most important achievements, and we have improved the equilibrium of the people's economy. The political awareness and culture of citizens have risen to a higher standard.

The MSZMP is fulfilling its role of directing society, and is serving responsibly the people, the socialist fatherland, socialism, and the international cause of social progress and peace. It realistically takes stock of the results and weaknesses of socialist construction and it applies Marxism-Leninism and takes into consideration the country's resources in working out, with the inclusion of all responsible social factors and with reliance on our people's creative force, solutions and methods that further the welfare of millions of people.

The Central Committee recommends that the 13th congress approve the appraisal of the work that has been done and confirm the party's political guidelines.

The 13th MSZMP Congress will be convened at a time when our people will celebrate the 40th anniversary of our liberation, a historic turning point in our destiny. Four decades will have elapsed since the Army of the Soviet Union, which made the most sacrifices in World War II and bore the main burden of the struggle against fascism, triumphed together with the troops of the allied powers. The Soviet soldiers, sons of the Soviet people, liberated our fatherland from the occupation of the Hitlerite troops. A new era began in the history of Hungary: our country became independent. Our people took advantage of the liberty, overthrew the rule of capitalists and estate owners, and began building a new socialist order.

Epoch-making results have been attained since the liberation: development, protection, and consolidation of the people's power; assumption of public ownership over the means of production; implementation of a planned economy; large-scale development of industry; socialist reorganization of agriculture; full employment; modernization of the macro-management of the economy; development of socialist democracy; creation of national unity; improvement of the general, political, and vocational erudition of citizens; increased standard of living; extensive expansion of social care; and fundamental transformation of people's way of living.

With joint efforts by the party and the people, we have overcome the grave social, economic, and cultural backwardness. Our fatherland has attained a position in the vanguard of social progress.

Conditions of socialist construction have become more difficult in recent years. Our party and people have been greatly taxed by the complex tasks of switching to an intensive economic development, inconsistencies accompanying development, tensions of the international situation, changes that have taken place in the world economy, and, consequent to all this, a slowdown of economic growth and stagnation of the standard of living. The gratuitous inequalities that still exist in our society, phenomena at variance with our socialist principles, and weaknesses of our own work are more perceptible in the more difficult situation.

It is the task of the 13th congress to work out, with the participation of all party members and the contribution of citizens assuming a responsibility for the fatherland, a clear program for overcoming the difficulties and obstacles and continuing socialist construction. In the coming year our most important task will be to expose and utilize, through consistent work, the enormous resources existing in the socialist system in all areas of social life by enhancing the potential of our people's economy and gradually accelerating economic development; by creating material prerequisites for improving the standard of living, living conditions, and a better assertion of social justice; and by developing our democratic institutions to further strengthen national unity, keeping our socialist objectives in mind.

I.

The International Situation; Our Foreign Policy

The development of the international situation is determined fundamentally by the struggle and competition between socialism and capitalism. At the same time it is a common interest of countries with different social systems that the struggle between the two world systems be conducted within the framework of peaceful coexistence. In our days when an extremely large number of instruments of mass destruction have been accumulated, preserving peace, halting the arms race, prohibiting thermonuclear and other mass destruction weapons, and disarmament are in the common interests of the peoples.

Unfavorable trends in international life have grown stronger in recent years. Imperialist circles are attempting to crush the peoples struggling for their political and economic independence, to prevent the enhancement of the forces of social progress, and to halt the spreading of socialist ideas. Their endeavor to upset the military balance of power between the two systems of alliance, which is a fundamental prerequisite for preserving world peace, is particularly dangerous.

The endeavor of imperialism to curtail equal relations between countries with different social systems has an unfavorable impact on the international situation.

The long, drawn-out crisis of the world economy and the practice of politically motivated protectionism and discrimination strengthen unfavorable processes. Anticommunism has been elevated to the status of state policy in some capitalist countries.

The local crises and armed conflicts existing in various areas of the world threaten international security. Imperialist intervention on an increasing scale often prevents their just and lasting settlement.

Despite the unfavorable manifestations, the possibility exists to avert the dangers threatening mankind. The strength and consistent peace policy of the Soviet Union and the socialist community are the cardinal guarantee for this. As a result of the efforts of the socialist countries, the masses of people taking up the cudgel for peace, and realistically-thinking middle-class politicians, we can have faith in a return to detente even in an international situation that has become more tense.

1. With its active political activity coordinated with the rest of the socialist countries, the Hungarian People's Republic strengthens the positive trends of international life and contributes to the struggle underway to avert the dangers threatening world peace.

To strengthen their unity in a situation which is becoming more and more tense is a fundamental interest of the socialist countries. The Warsaw Pact Organization, within the framework of which the member-countries coordinate their main political objectives and implement the necessary defensive measures, is a significant factor in the preservation of world peace. The initiatives of the organization and the international activity of member-countries alike serve the policy of peaceful coexistence, a negotiated settlement of disputed international issues, a decrease of world political tensions, and the universal cause of peace, national independence, and social progress.

The interests attached to accelerating intensive economic development and international political and world economic conditions demand that the socialist countries modernize their cooperation and develop socialist economic integration within CEMA.

2. The conditions of the capitalist world continue to be determined by a deepening of the general crisis of capitalism. Unemployment increases, the precariousness of the existence of the masses is intensifying. Rightist, conservative trends have strengthened in certain developed capitalist countries, but the alignment of political forces has not essentially changed in its entirety.

Differences in the economic and political interests of the leading capitalist centers have increased in recent years. In opposition to the adherents to a policy of strength and extremist circles urging a continuation of the arms race, part of the political and economic leading circles of the capitalist world, and primarily Western Europe, take up the cudgel for a continuation of the detente process and of mutually beneficial cooperation between countries with different social systems.

3. The efforts for freedom and anti-imperialist struggle of the peoples living in political and economic dependence have an increasing role in the development of the world situation. The developing countries are affected in a particularly detrimental way by the unfavorable processes of international life and the lasting problems of the world economy. The developed capitalist countries try to maintain or regain their influence by economic and political pressure, military threats, the fomenting of differences and, occasionally, overt intervention.

Particularly strong pressure is brought to bear on the developing countries that have chosen the path of a transformation of society in a progressive, socialist direction. These countries rely on the socialist countries in accomplishing their objectives, accelerating their domestic development, and creating genuine economic and political independence.

The peoples of the developing countries are taking up the cudgel more and more resolutely to be able to guide their destiny without outside intervention and join in the international economic division of labor with improving conditions.

4. The Hungarian People's Republic is a firm member of the community of the socialist countries. To contribute to the universal cause of peace and social progress in order to thus create more favorable international prerequisites for socialist construction remains the cardinal objective of its foreign policy. In cooperation with our allies, and through our own means, we intend to further a decrease of international tension and a prevalence of the policy of peaceful coexistence.

Safeguarding peace and security in Europe is particularly important for Hungary. We continue our efforts for the assertion of the contents of the Helsinki Final Document. We are striving for agreements to be achieved at the international meetings which are just and which serve the benefit of the peoples of all the participating countries.

In the spirit of our common ideals and the identity of our interests and goals, we are further developing our relations with the fraternal socialist countries. We are strengthening our friendship and cooperation in all walks of life. We are endeavoring to have the widening of our relations, and the acquaintance with and utilization of each other's experiences makes an increasing contribution to our construction work.

Particularly important is the deepening of Hungarian-Soviet friendship and the further enriching of cooperation between the two countries and their peoples. This is a first-rate national interest. The identity of fundamental goals and interests and the common ideals and strong ties of internationalism and friendship bind our parties, countries, and peoples. The USSR continues, now and in the future, too, to represent the most secure international support of Hungary's independence and of our socialist construction work.

Our party and people feel solidarity with the developing countries. We are paying special attention to the progressive, socialist-oriented states. We are helping them, in accordance with our possibilities, to be able to follow the road they choose. We support the struggle of domestic, progressive forces against dictatorial and racist regimes.

For the benefit of easing international tension, safeguarding and further developing the achievements of detente, and exploiting the advantages inherent in the economic, technico-scientific, cultural, and other relations, we are striving to maintain the dialogue and continue cooperation with the developed capitalist countries. We are developing our relations in the spirit of the principles of peaceful coexistence, on the basis of equality and mutual advantage, taking into consideration mutual interests and harmony with them.

The Hungarian social organizations and movements and the churches in Hungary are playing a considerable role in promoting the cause of peace and disarmament. Our responsible initiative in international activity expresses the Hungarian people's support for the foreign policy efforts of our party and government.

The most important domestic guarantee of the success of our foreign policy activity is the support of our people, the firmness of our social system, and the successful construction of socialism.

Our Social and Political Relations.

Our people, led by the party, have carried out great successful activity since the 12th MSZMP Congress. Our social and political system, the people's power and its most important political basis, the alliance between the working class and the cooperative peasantry, are firm. Continuing our policy of alliance we have safeguarded and developed the socialist national unity. The socialist democracy has expanded.

1. The basis of our social system is the socialist -- state and cooperative -- ownership of the means of production. Strengthening our socialist system requires increased intensified safeguarding and fuller exploitation of the advantages of social ownership.

Our state recognizes and defends private property acquired with work in a legal way.

2. The process by which society's basic classes and strata draw closer to one another is considerably advanced. In the areas of the standard of living, education, and lifestyle, however, there are still considerable differences in our society and there is need for steady activity in the future, too, in order to reduce them.

The working class is the leading force of our society. Its political commitment, activity, and stand determine the stability and development of our society. Its professional training has increased in the past years, too, and the difference between manual labor and intellectual work has further decreased. The differentiation is stronger than as a result of the diversity of professional training, performance, workplace, and place of residence. Technological developments demand a further increase in the workers' professional training and education. The involvement of the workers' participation in the public life and the management of enterprises must be accelerated.

The cooperative peasantry is the firm ally of the working class. Qualitative changes have taken place in their situation, composition, and way of thinking. The nature of peasant work is changing considerably. Its traditional elements are receding, industrial-type activity is expanding, and the role of professional training is increasing. The peasant way of life is changing in a favorable direction. The difference between village and town is decreasing.

The intellectuals play an increasingly important role in our society. Going hand-in-hand with the development is the fact that their proportion in number is increasing, and the importance of intellectual work requiring a high-level of professional training is increasing. We have to further increase the society's intellectual capacity and we have to manage more rationally the intellectual resources. The social appreciation of intellectual work must be increased and greater development of the intellectuals' public activity and creative readiness must be facilitated.

The number of people employed and the number of experts in production and management has increased. The professional, political requirements imposed on them are increasingly great. Their work, enthusiasm, and attitude considerably influence the level of economic activity and the efficiency of management, and affect the general feeling of the society.

The proportion of small producers, small artisans, and small tradesmen has somewhat increased. The proportion of the private sector both in national income production and in the sphere of employees is 4 to 5 percent. It fulfills real social requirements and plays a useful role in the life of society.

The goal of our alliance policy continues to be the solidarity of the different classes and strata of our society, of our entire people for the benefit of the construction of the socialist fatherland.

3. We have achieved further results in asserting equal rights for women but we cannot be satisfied. Fulfilling their multifaceted tasks imposes considerable burdens on them. Their professional advancement and income unjustifiably lags behind that of the men in certain cases. The number of women in managerial jobs continues to be small. Therefore we have to increase our efforts in order to ease through social and economic means women's complicated problems, their burden combining child rearing, motherhood, household chores, taking up jobs -- their role in the family and in public life. We have to facilitate the assertion of equal rights for women by increasing their professional training and their political and general education.

4. The professional training and general education of a great part of the young people is higher than previous generations and a considerable part of the youth is characterized by exactingness towards work and ideological and public life interest. The great majority of them study and work honestly and fulfill their national defence responsibility. Many young people take up activity in public life with commitment and responsibility.

Educating our youth in the socialist spirit and preparing them for individual life is the task of all society. This requires a resolute coordination of activity on the part of the family, the educational institutions, workplace collectives, state organs, the Armed Forces and its bodies, the party and social organizations, and the KISZ. There is a need to develop youth's sense of responsibility for their own fate.

There is need to determine more precisely the sphere of problems concerning youth; there is need to better take into consideration the particularities, interests, and aspirations of certain generations and strata of young people. The party calls upon youth to safeguard our historical achievements, to develop and increase them, and to achieve the successful construction of socialism. It helps the young people to be able to take part responsibly in the implementation of tasks serving the development of the country and to obtain more possibilities for applying and increasing their knowledge.

5. The older generations, already retired, took part in achieving the people's power, laying the foundations and constructing socialism. Their work and sacrifices are reflected in the achievements of our socialist development. There are many still active among them. It is our important social interest to utilize their experiences and facilitate their participation in public life. It is our obligation to follow their situation with attention and, where necessary, ease the burdens inherent in old age.

6. We have to strive in the future, too, in order to ensure that workers of different ideological views, both nonreligious and religious workers, act together to achieve our goals. The fact that relations between the state and the churches are settled serves the interest of our people. The party highly appreciates the fact that the churches and religious denominations in Hungary take a joint stand and responsibility for the enrichment of the fatherland, the fate of humanity, and for peace.

7. The nationalities regard the Hungarian People's Republic as their fatherland. It is necessary to ensure their equal rights, the fostering of their mother tongue, and the development of their culture -- irrespective of their numbers -- in the future, too. We recognize and continue to support the activity of the federations of nationalities.

The nationalities play an important role in developing friendship between Hungarians and their neighboring peoples. We regard their relations with nations having the same mother tongue as natural and we facilitate it. Similarly, of course, we regard it as a natural demand that the citizens of Hungarian nationality living in the neighboring countries are able to foster their mother tongue, develop their national culture, and contribute to strengthening the friendship between our peoples and the cooperation between our countries.

8. Demographic growth is an important national issue. Through synchronized state and social efforts we must succeed in arresting the decline in population and ensure that its number increases in the long term, and that the age composition improves.

It is an important task to improve our people's state of health and to ensure a more healthy way of life in all strata of society, especially youth. Great attention has to be directed to curb alcoholism and other phenomena harmful to health.

9. The family plays a determining role in caring for children, in educating young people, in holding the generations together, and in shaping the community way of life. Parents are responsible for ensuring that children grow up in a good family atmosphere, acquire knowledge, and accept the moral values and norms that are necessary for social adjustment and a well-balanced life. All this also makes it imperative that our state and society support and defend the institution of family better.

10. Our socialist state has further strengthened in the past years. The activity of the guiding organs, bodies, and of the councils has improved. The socialist democracy is widening through the modification of the election system. The system of administration has been simplified through the elimination of districts, and the independence of the local councils has increased. Defending and developing socialist achievements and organizing economic and cultural construction will continue to be an outstandingly important task for the socialist state. The role of the National Assembly as the supreme body of state power and representation of the people in the life of the country should increase. Its legislative activity should widen. Its constitutional functions in determining and supervising the activity of the government should be more consistently asserted. The National Assembly should become even more a forum of open and active political exchange of views.

The councils, our representative, self-governing, and state-governing organs, have important tasks in our society. Their independence, sphere of authority, and responsibility in area and settlement development and in fulfilling the needs of the population should increase. The councils should better involve the population in the preparation of their decisions and in the debate on the possible forms of decisions.

The governing activity must be further developed. The central, district, and local organizations of the state administration, their order of procedure, system of decision-making, and division of labor should keep pace with the needs and demands of society. There is need to continue the decentralization of the sphere of authority and subsequent responsibility, and to develop democracy in the activity of the local organs and bodies.

The state administration tasks should be carried out by a smaller number of public employees but they should be better trained and appreciated. The state administration actively should be given greater publicity and its organ and social supervision should be strengthened. There is need for tangible improvement in dealing with the problems of the population, in curbing bureaucracy.

The state organs should demand the cooperation of the social and mass organizations, should rely on their experiences, should support the population's activity and initiatives, and should consistently assert the public interest.

11. There is need to continue the development of socialist democracy in all areas of public and state life, at workplaces, in social organizations and movements, and in residential communities.

The further development of the economic macromanagement system and the widening of enterprise management forms should strengthen responsibility for the efficient operation of the means of production in public ownership, the democratic supervision of economic activity; should increase the active participation of the workers in decisionmaking; and should enable a fuller assertion of workplace democracy.

An increasingly wide circle of workers should be involved in public affairs. In the forum of public life there is a need to encourage the participants' political activity and strengthen their awareness of their own competence and responsibility. There is a need to improve the knowledge of the citizens. They should have more opportunities to see their opinions influencing the development of decisions of great importance, and to take part on merit in the preparation of social-political decisions.

There is a need to work out a method and mechanism for synchronizing interests that brings diverging interests to the surface, enables them to be better harmonized, and at the same time ensures that priority is given to the public interest. There is a need to make it clear to every citizen that his private interests can be asserted by serving and taking into consideration the public interest.

12. An essential condition for the development of our social system is to strengthen discipline among citizens and facilitate the joint assertion of rights and obligations. The great majority of citizens respect the laws, live and work according to our moral norms, fulfill their obligations, and exercise their rights. At the same time there is an increase in the phenomena that contravene the law and hurt our moral norms: lax discipline, irresponsibility, careless treatment of public property, illegal acquisition of profits, and tolerance towards all these.

The party, state, and social organs, counting also on the support of the public, should take a firm and forceful stand against these negative phenomena, for the prevention of crime, for observing the law, and enforcing the observation of the law. Particularly important are the safeguarding of an impeccable public life, the steady struggle against all forms of abuse of power and personal relationships, protectionism, and corruption.

13. The internal organs are defending the order of society and public safety with the cooperation of volunteers; the justice departments and courts are acting in accordance with their constitutional function. It is their important task to take determined steps to prevent and decrease crime and to watch over the observance of obligatory laws. Calling to accountability should be faster and the extent of punishment should be proportionate to the social danger of the crimes.

The Hungarian People's Army, in the framework of our alliance and with the wide support of our people, is reliably guarding our country's security and is a worthy comrade-in-arms of the armies of the Warsaw Pact.

The workers militia, with its volunteer service, gives an example of readiness for sacrifices and of commitment to socialism.

There is need to safeguard in the future, too, the security of our socialist country, the defense of the country, the modernization of the Armed Forces and bodies and the high-level training of its personnel.

III.

The Economic Construction Work

The people's economy has been developing in the past years in accordance with the economic policy guidelines determined at the 12th congress. This is the considerable achievement of the diligence, talent, and readiness for sacrifices of our working people and of the joint efforts of the party, state, and social organs.

The external conditions of the economic construction work have developed in an even more disadvantageous way than expected. The capitalist world economic crisis continues in the eighties. The strengthening of economic protectionism and discrimination has also caused losses to the Hungarian economy. The international monetary crisis, the considerable increase of interest rates, and the repeated exchange-rate losses have considerably increased our burdens and endangered our solvency.

After some delay, we recognized the lasting nature of the changes taking place in the world economy in the seventies. The main goal of our economic policy was to avoid the negative effect of these changes on the standard of living and on the development of our economy. We unilaterally put forward the stability of enterprise management; we maintained the relatively high rate of growth and the increase in the standard of living continued. For years the country's expenses exceeded the income. We compensated the loss by taking credits and, in the last analysis, this caused the deterioration of the external balance of the people's economy and the considerable increase of debts.

The economic activity of the last 5 years has been accompanied by our struggle to improve the foreign economic balance and to maintain the solvency of the country. The efforts have been fruitful.

The party and state leadership has successfully guided the country's economic life in the past years. The main economic policy goals earmarked at the 12th congress are being carried out. Our people's economy proved to be firm, operational, and capable of bearing burdens; and its balance has improved. The material-technological bases of socialism have expanded and become modernized, and the national assets have increased. Productivity has grown at a rate exceeding the national income. The specific material and energy consumption and the imports used for production have decreased. The people's economy has better adjusted to the requirements of intensive economic development, and economic activity has become more flexible.

The party initiated the further development of the economic reform introduced in 1968 and the modernization of all the elements of the economic macromanagement system. The economic mechanism operating in the framework of socialist planned economy is an important means of improving efficiency.

It increases the enterprises' independence, aids in the development of initiative and an entrepreneurial attitude, and increases the workers' interest in achieving better results.

The ancillary-subsidary activity connected to the socialist sector has developed. Measures have been taken to curb harmful phenomena which are foreign to socialist economic activity, as well as to curb dishonest economic activity and profiteering and consolidate discipline, but the effect of these is not yet perceptible enough.

Industrial production has increased, productivity has dynamically increased, and the production structure has been modernized. The Hungarian vehicle industry, aluminum production, pharmaceuticals and cosmetics, medical instruments, and the products of telecommunications and vacuum technology are internationally recognized. Numerous industrial enterprises have achieved noteworthy results. In spite of more limited import possibilities, industry for the main part has fulfilled the domestic needs and has increased exports to both socialist and capitalist countries. We have not yet succeeded, however, in creating the necessary conditions for improving international competitiveness and considerably increasing the technological level.

Agriculture, even compared to international levels, has achieved good results. Concerning the yields of bread grain production, we have become a leader in the world. The branch fulfilled the needs of the population and has considerably contributed to improving the balance. Production developed in accordance with the stipulations of the plan. Agrotechnology has developed. The yields of plant cultivation and animal husbandry have increased. There is greater harmony between agricultural production and food industry processing.

The increase of the national income has somewhat lagged behind that planned. Therefore, it was possible to maintain solvency and improve the foreign economic balance only through limiting domestic consumption. The necessary reduction of investments limited the possibilities of technical development of the people's economy; therefore it cannot be maintained on a longer term.

Economic development must be enlivened in the coming years. By ensuring the vigorous and multifaceted unfolding of intensive economic activity and a more complete utilization of the reserves inherent in the economy, a well-founded economic growth must be attained that allows a further improvement of the equilibrium, a gradual and extensive renewal of the material-technical bases of the people's economy, and an improvement of the people's welfare.

The prerequisites for accelerating development exist or can be created. Responsible management which adapts to requirements is spreading and strengthening. The development of the macromanagement and institutional system necessary for this is in progress. We have great reserves regarding energy and material management, the improvement of quality, the strengthening of managerial, work, and technological discipline, and the improvement of organization. All these can open new sources for an economic upswing.

The Seventh 5-Year Plan should be a well-founded program of economic growth and development that enables us to attain our social and economic-political objectives.

1. Extending intensive development to all elements of the production process is the most important economic-political goal of the Seventh 5-year Plan period. The profit-producing capability of the economy must be intensified. In adapting better to our endowments and domestic and foreign market demands, the transformation of the production structure must be accelerated.

It is a fundamental requirement that the quality of products should draw closer to the present international standard of technical-technological progress, and that an increasingly larger proportion of products should attain that standard. It is important that we utilize our domestic natural resources more intensively and rationally and develop an infrastructure that serves production. Profitable economic management should be the general norm of activity. Work organization, discipline, sophistication, the adaptability and entrepreneurial aptitude of economic organizations, and cooperation among enterprises are to be improved.

Technical development must be accelerated; the effectiveness of development activity must be enhanced. We should further spur enterprises to apply scientific results and useful innovations more rapidly and to introduce up-to-date technologies and organizational work methods. The production of products that can be manufactured economically should be more dynamically expanded. A radical turnabout should be attained in either making economical or restraining uneconomical production which creates a long-term loss.

By creating the prerequisites for it, the rate of investment should be increased. Investment projects that serve an acceleration of intensive development, technical progress, a better utilization of the existing means, and a reduction of input should be placed to the fore. The incentives of units and individuals engaged in economic activity should become greater, and their responsibility should also prevail to a greater extent in order that investments can be realized as rapidly as possible, obtaining good quality, and executing matters in the most practical way and with the least input.

2. Industry plays a determining role in increasing the national income, renewing the material-technological base of the people's economy, supplying the various sectors and the population with modern industrial products, and improving living conditions.

In accordance with our endowments and the trends of international technological-economic development, it is purposeful to concentrate our forces primarily on a few preferential areas in industrial development: the development and expansion of electronics; the production of machinery, equipment, and chemical industry products that can be well applied in agriculture and the food industry; a complex and economical utilization of our natural resources; the introduction of technologies through which energy and raw materials can be economically processed; and the production and introduction of installations serving these technologies. The implementation of the central programs elaborated for energy conservation and the utilization of wastes and secondary raw materials should be continued with more vigor.

By giving priority to the more significant industrial policy objectives, organizing international cooperation, and working out state action programs, industrial macromanagement should spur a more rapid development of efficiently operating enterprises and the restraining of uneconomical production.

Industrial cooperatives should develop their production in conformity with our industrial policy. They should assume a greater share in satisfying domestic production and consumer demand and in expanding exports. Small-scale industry should continue to satisfy the population's service requirements and improve the supply of goods.

The production structure of the building industry should adapt better to demand. Management, work discipline, and work organization should radically improve. Adherence to construction deadlines and high-quality execution should be demanded.

The building industry should adapt to requirements, and the construction of dwellings should remain its priority task. The building materials industry should expand its supply of up-to-date and high-quality materials. Harmony between supply and demand should be furthered by a more extensive prevalence of an entrepreneurial attitude, a modernization of enterprise structure, and an acceleration of technical development.

3. We continue our agricultural and cooperative policy. A coordinated development of agriculture and the food industry and an increase of their production adapted better to demand should continue to ensure the population's food supply and contribute to an expansion of exports. By increasing yields and decreasing specific input, our agriculture should enhance its profitability. Material-technical prerequisites for production should be further improved.

The producer cooperatives and state farms will continue to play a determining role in the development of agricultural production. Their fusion should continue to ensure a more purposeful concentration of economic and intellectual forces and a rational flow of development sources. Greater efforts should be made to ensure that the production structure and technical equipment of enterprises with unfavorable natural endowments adapt better to their characteristics and that their economic activity becomes more successful.

By enhancing the safety of production and the disposal of products, an expansion of the production of household and ancillary farms should be encouraged. Large-scale agricultural enterprises, procurement enterprises, and consumer cooperatives should strengthen their ties with small-scale producers.

In the food industry, development enhancing international competitiveness and economical considerations should be brought to the fore. Capacity for storing, refrigerating, and stockpiling should be increased. The effectiveness of the entire process of foodstuff production should be strengthened by cooperation, based on mutual advantage, between agricultural and foodstuff industry enterprises and a development of the production systems. A more flexible and better sales system is needed; producers should expand their foreign market relations.

4. In water management, a better satisfaction of requirements, water conservation, and the protection of quality constitute the main tasks. More attention than heretofore should be devoted to expanding the supply of healthy drinking water and improving the sewage system and the purification of sewage water. Flood and inundation water protection must be kept at a high standard. The implementation of the program initiated to improve the quality of water in Lake Balaton must be continued.

5. Every production unit and institution must fulfill the tasks of environmental protection with intensified responsibility. More attention should be devoted to the protection of the natural environment and arable land, the improvement of air purity and water quality, and the reduction of wastes and their harmless disposal.

6. The development of transportation should keep abreast with the increase in production, the expansion of international economic relations, and the requirements of the population. Prerequisites for modern and comfortable travel should be improved and the standard of services should be raised in railroad and highway transportation.

By enhancing organization, applying developed means and methods, and by a better division of labor among transportation sectors, economy should be enhanced and specific energy utilization should be reduced in the conveyance of goods. Priority for mass transportation should continue, and the construction of the subway in the capital for passengers should continue. The inventory and use of cars should expand according to the possibilities of the people's economy. Overhauling and development projects necessary to expand traffic should be given priority in the modernization of the communications system.

Developing telecommunications and the telephone system at a faster rate is the most important task in information communication. Radio and television reception facilities and postal services should be improved.

7. Our country's natural-economic endowments make it necessary for us to intensify our participation in the international division of labor. CEMA and our active participation in socialist economic integration continue to play a determining role in our international relations. Also the Soviet Union will in the future be our most important foreign trade partner, a source of procurement of fundamental energy means and some important raw and basic materials, advanced technical equipment and devices, and the cardinal buyer of our products. We intend to expand our economic cooperation with all socialist countries. We actively participate in implementing the program endorsed at the 1984 high-level CEMA conference, and we are initiating the development of additional forms and methods of cooperation.

We are expanding our economic relations with developed capitalist countries on the basis of mutual advantage.

In economic relations with developing countries, we press for mutually beneficial cooperation in production, as well as for an increase of the turnover of goods. We assist them in the realization of their economic-social objectives through technological-scientific cooperation and the training of experts.

Asserting world market requirements more intensively makes it necessary for us to raise the standard of our foreign trade and improve harmony between production and foreign trade.

The party's economic policy equally takes into consideration the general rules of socialist construction and the resources of our country. The socialist planned economy based on social ownership of the means of production, regulated goods, money, and market conditions aids in building the socialist society and in achieving our fundamental social-economic goals.

With the further development of the economic macromanagement system we have to succeed -- through the modernization of planning, regulation, and of the organizational and institutional system -- in improving the efficiency of the central state management, and increasing the enterprises' independence, their responsibility and readiness for initiatives, and their entrepreneurial attitude.

An important task for economic macromanagement is the shaping and supervision of prices in harmony with our economic and social goals. The producer prices should reflect the socially justified expenses. There should be no way to burden the consumers with the expenses of uneconomical production and negligent work.

The consumer prices should better adjust to the producer prices. In social-politically justified areas, the state support of the consumer prices has to be maintained in the future too.

The socialist large-scale enterprises play a determining role in meeting our economic policy goals. We have to achieve the operation of profitable, modernly managed, well organized and guided, competitive state enterprises and cooperatives in all the areas of the people's economy.

The cooperatives play an important role in our economic and social life. They have to strive to perfect their operation mechanism, adjusting to the changing conditions and demands of economic activity, to gradually take a share in solving the local social political tasks.

Ensuring in the future too the determining role of the state enterprises and cooperatives, we will continue to support the small-scale industry and the small trade which play a considerable role in fulfilling the needs of the population.

New forms of ancillary and subsidiary economic activity have emerged in the last 2 years. The new organizations are gradually adjusting to the system of socialist economic activity and are contributing to the achievements of the enterprises' economic activity and to a higher level of supply of the population. The unfavorable phenomena emerging in this area must be defeated. Thus there is a need to assert the regulations, and we must succeed in making personal income proportional to performance.

The socialist work competition and brigade movement should contribute to the faster evolution of the intensive development of the people's economy, first of all through the successful solving of workplace tasks, the identification of untapped resources, and improving the quality of products. The units pursuing an economic activity should strengthen the interest of the socialist brigades in the improvement of the enterprises' economic activity.

Determining, asserting, and supervising the implementation of the economic policy is the fundamental task of the party in economic construction work. The main task of the party organizations is to aid and supervise the local implementation of the economic policy goals and to mobilize the workers by political means. These organizations should initiate and support the efforts directed toward the increase of efficiency, the strengthening of work discipline, and the increase of performance, and they should see to it that the state, economic, and social organs operate in harmony to the benefit of the economic policy goals.

IV.

Standard of Living, Living Conditions, Social Policy

The decisions of the 12th congress concerning maintaining the standard of living and improving living conditions have been fulfilled on a social scale. The population's real income and consumption -- although developing differently from strata to strata -- have increased as a whole. The supply of goods has been balanced. It is a considerable achievement that the outstanding projects serving the improvement of living conditions in public education, health services and housing are being implemented. Real wages, however, have decreased and the lives of certain strata have become more difficult. In the coming plan period it is necessary to lay the foundations of a perceptible increase in the standard of living through the acceleration of economic development, better management, the increase of performance, and the improvement of work discipline. The population's consumption should increase, the living and working conditions should improve, the supply of goods should broaden, and the provision of services should better fulfill the requirements. The local infrastructural network which considerably affects the living conditions should develop with wider social collaboration.

The further development of distribution should serve to encourage more fruitful work, social care, and social justice. Within the increase of the population's income -- without harming the fundamental social allocations -- there is a need to turn greater attention to the development of incomes acquired by work.

The most important goal of the social policy continues to be maintaining social security and reducing social inequalities, irrespective of work performance. We cannot count on the quick increase of material resources. Therefore it is necessary to use the existing resources more resolutely and efficiently.

1. The increasing economic and social value of performance must be reflected better in the income of collectives and individuals. Material incentives that stimulate an improvement of the quality of work must be employed more consistently in every area of the people's economy and in every group of employers. Wages, earnings, and incomes from work must better reflect differences in performance and the social usefulness of work. More recognition should be accorded to successful creative work, activity propelling technical development forward, and a successful entrepreneurial attitude.

2. Our socialist state ensures full employment. However, the right to work must be accompanied by a fulfillment of the assumed obligations and conscientious, painstaking, and disciplined work. The effective management of the work force is the task of enterprises; in order to utilize it rationally it is necessary to enhance interest in ensuring that it is flexible, in conformity with our economic objectives. The role of state macromanagement organs and local councils increases in the organized regrouping and retraining of working people and the solution of tasks connected with them.

The 5-day work week has become universal; from now on -- with the creation of the economic prerequisites for it -- the extensive introduction of a 40-hour work week will be the task.

3. Retaining its fundamental achievements, our social allocation system must be brought more in harmony with our material possibilities and the principle of need, and social justice must be more intensively applied. Subject to social position and income, prerequisites for some allocations and services must be differentiated to a greater extent. Social security must be maintained and enhanced in cases of the most needy.

An increase of the number of births must be furthered, among other things, by increasing social benefits. The state's contribution to the costs of raising children should gradually increase to make the position of families with children more favorable in this way. By developing the system of institutions that makes the raising of children easier, efforts should be made which are conducive to reconciling employment with being a parent and to improving care for and the education of children in the family. It should be made easier for young people founding a family to obtain dwellings. Differences in prospects arising from the social and material position of families must be reduced and basic prerequisites for beginning independent lives must be improved.

To strengthen the security of the elderly, it is necessary to lessen the strains of the pension system. It must be ensured that the purchasing power of low pensions is preserved. To improve the position of pensioners, we should expand the possibility of taking up employment, the system of institutions that provide occupation and provisions during the day, and social care.

Improving the living conditions of families that are in a disadvantageous position in several respects is a complex occupational, cultural, health, and social task. A co-ordinated system of state and social care, a family care system, must be developed.

4. The equilibrium between purchasing power and the commodity stock and the reliability of the commodity supply must be maintained. The consumer price changes that become necessary must be implemented in harmony with the objectives of the standard of living policy. It must be ensured that the quality of consumer goods improves and their assortment expands and that circumstances of trade activity and shopping become more sophisticated. Greater attention must be devoted to the supplies of small settlements. The protection of consumer interests must be intensified.

5. The development of the infrastructure serving the population and the improvement of its quality is a fundamental task. Satisfying the basic requirements affecting the broadest sphere of the population as fully as possible should occupy first place among city and village policy objectives. Settlements should provide a suitable scope for making the socialist way of life develop. The differences apparent in bearing the burdens of area development should be decreased. The local councils and the requirements of residents should have a determining role in setting settlement development tasks. The responsibility of councils and the interest and participation of the residents must be increased in their accomplishment.

6. A further improvement of the housing situation and the attainment of the main objectives of the second 15-year dwelling construction program is a particularly important social-political task. The construction and purchase of personally owned dwellings should continue to be the main form of obtaining dwellings. This should be helped by the state, among other things, by expanding central and local support and through preferential loans.

Differences in individuals' ability to assume burdens should be taken more into consideration in shaping conditions for obtaining dwellings. Enterprises and institutions should support more the improvement of the housing situation of their working people. State swelling construction and management should enable young married couples and people with low incomes and large families to obtain dwellings. Citizens should be offered incentives to live in dwellings of a socially justified size and a rapid and simple method of changing dwellings should be fostered.

The protection of dwellings owned by the state and individuals requires greater efforts, better organization, and greater attention. The councils' economic independence, financial means, responsibility, and incentives in improving the housing situation in settlements should be enhanced.

7. Improving the standard of health care remains an important task. Basic care, care for outpatients, and public health services must be improved. By the necessary modernization and a better utilization of the existing means and equipment, we should enhance the efficiency of health institutions and reduce the unjustified regional differences in care. Because the number of elderly citizens is increasing, it is necessary to increase the number of hospital beds for those with chronic ailments and to expand institutional forms of care for sick people at home. More attention must be devoted to the prevention of illnesses.

8. The physical education and sports movement should contribute more successfully than previously to a healthier way of life for the population and improvement of the physical fitness of young people. Greater attention should be devoted to physical education in schools, to the development of student sports, and to encouraging leisure time to be spent in a civilized manner.

Competitive mass-based sports should help inspire our people to take part in sports and contribute to enhancing the good reputation of our fatherland through its achievements.

Tourism should be expanded and possibilities for recreation and outings that satisfy less exacting requirements should be broadened. In the course of the development of tourism, greater attention should be devoted to the renovation of buildings and the improvement of the standard of services. By expanding international tourism, we should help people to become better acquainted with cultural values and help to strengthen peaceful relations among people.

V.

Ideology, Cultural Policy, the Socialist Way of Life

Social awareness is fundamentally characterized by identification with the party's main political objectives and social activity is characterized by active creative work. This manifests itself in consensus concerning our social goals, willingness to act, and firmness. Our people's sense of responsibility for safeguarding and further developing our historical achievements has strengthened. In wide circles of our society the socialist ideals have become natural values and the demand for a fuller assertion of our moral and ideological principles is increasing, but there is also a lack of political and ideological interest.

1. The party has promoted the theoretical foundation of today's tasks of socialist construction. In its propaganda activity, in addition to reporting our achievements, the party has tried to present the possibilities, limits, and contradictions of our development, and with all these it deepened social thinking and national self-knowledge.

Phenomena that are alien to our ideals have also increased in our ideological life. Attempts are being made to reevaluate our national values from a middle class or a nationalist view. Views lacking the class outlook or filled with illusions about socialism and capitalism, and about the fundamental issues of our age can be noticed. In certain cases there are views emerging that oppose our socialist ideals and concepts and proposals that disregard our real possibilities. Laxness and an undemanding attitude in theoretical work hinder creative thinking. The spirit of debate against these phenomena is inadequate, the erroneous views often are not confronted with high-level, argumentative Marxist criticism and rejection.

2. The development of ideological work is an indispensable condition for solving our economic and social policy tasks. We have to analyze our social relations in a multifaceted way and more deeply, and we have to advance in the theoretical generalization of the domestic and international experiences of socialist development based on Marxism-Leninism.

There is a need to enhance the conception of socialism and make it more realistic in the public's thinking. Ideological work should focus on the connection between the creation of a rational and substantial human life and the appreciation of work, the assertion of social justice, the role of the workers' community in shaping society and the individual, and our socialist and humanist values. It should contribute to the shaping of realistic national self-knowledge and to the development of national self-respect and socialist patriotism. It should make it known that one of the most important guarantees for the future of our people is the worldwide promotion of social progress, the deepening and practical utilization of the ideal of internationalism, and solidarity with the international communist and workers movement.

Our ideological, spiritual life should enhance the Marxist interpretation of new issues arising from socialist development and the changes that are taking place in the world, and the acceptance of new concepts that serve progress. It should react without delay to views from any side that distort our principles and policy, it should expose ideas and efforts that are alien to socialism, and it should reject voluntarist manifestations removed from reality. There is a need to continue the struggle firmly, based on principles, and by means of mass political work, against the anticommunist propaganda of the imperialists, the bourgeois ideals, and against retrograde ideas.

More should be done than previously to shape political awareness. To achieve this, there is a need for a better harmonization of propaganda, agitation, and mass information. The spread of Marxist-Leninist education and of our ideals and ideology should contribute to accomplishing the tasks of socialist construction. Agitation should provide answers to the questions concerning the workers and should contribute to their mobilization. Great and responsible tasks are faced by the radio, television, and press in making the policy of the party known; in providing authentic, exact, and fast information; in shaping public opinion; and in developing an active social attitude. Taking into consideration the increased role of television, radio, and the press in shaping public opinion, there is need to further improve their activity. Greater attention should be paid particularly to the thorough, careful, and responsible elucidation of domestic policy and ideological-cultural questions. Our propaganda directed abroad should contribute to the formation of an authentic picture about our country by the international public.

3. The level of scientific research as a whole is adequate to the endowments of our country and successfully aids the construction work. The research conducted in mathematics, physics, and certain branches of biology are in the international forefront. The range of applied and development research has increased. The system of research planning has been modified, and it relates better to the planning of the people's economy. The system of institutions is adjusting better to the various areas of research. Agrarian research is fulfilling demands as regards the development of agriculture and is contributing to its achievements. Successful cooperation with technological and technical researchers is still not characteristic of the industry as a whole. The scientists took upon themselves a considerable role in laying the foundations of political decisions; the theoretical elaboration of current social issues is, however, lagging behind the requirements.

The development of science and the practical application of its achievements is an indispensable condition to advance the socialist society; therefore research should concentrate its efforts on accomplishing the most important tasks facing the country. By developing and applying new technological and technical means, scientists should better contribute to increasing the level and efficiency of production work; they should take a share in working out the various possibilities of decisions; they should aid in sharing a civilized, healthy human life. There is a need to increasingly support both the research laying the foundations for long-term goals and research adjusting to today's requirements, and the application of their results. There is a need to strengthen the relationship among research, technological development, production, and marketing.

The main task of those engaged in the social sciences is attaining an adequate level of theoretical-ideological elaboration of the most important questions of our age. The party and the state increasingly require the collaboration of the sciences in making decisions, and the scientists should be aware of the responsibility deriving from this.

There is a need to improve the conditions of scientific research. The democratic mechanism in the guidance and supervision of science should develop. The research being conducted at the universities and colleges should be provided increasing support. By selecting talented researchers who are producing high-level results and by training them we should ensure adequate quality replacements for the research staff.

There is a need to maintain, and in certain important areas to expand, international scientific relations.

4. The educational system essentially fulfills the tasks imposed on it. Teachers carrying out devoted work in the educational institutions play an important role in this. The more efficient methods of the instructional-educational work, however, have not yet consolidated and are spreading slowly. The development of the knowledge and skills of some of the students is lagging behind requirements. Professional training is unable to adapt to the fast-changing needs at the required rate. We have not succeeded in eliminating the shortage of teachers.

There is a need to continue the decided modernization of education in the coming years, concentrating on reforming the content, improving the quality of instructional-educational work, and strengthening the socialist education.

The schools should lay the foundations of the students' general education and scientific world outlook. It should provide broadly based vocational knowledge that can be further developed. It should pay more attention to making sure that students receive convincing replies to their social, political, ideological, and cultural questions. It should educate students better for work and should show more commitment to shaping young people's character and attitude. It should develop the young people's aptitudes and talents, should aid in reducing differences in opportunities, and should take care of the specially talented. It should strengthen its cooperation with the family, the social organs, and the institutions of public education.

The tasks and conditions of improving public education have to be determined within the framework of a social-economic program. There is a need to start implementing the long-term development program of higher education, and to more quickly adapt the training and extended training to requirements. There is a need to help eliminate the shortage of teachers by increasing society's respect for the teaching career.

Adult education continues to play a significant role in improving the cultural standard of the population; its tasks are greater than heretofore in vocational training, retraining, and extended training.

5. Numerous valuable works have been created in the various artistic branches; our artists' international successes are significant. Nonetheless, the portrayal and presentation of our socialist reality and current social processes in our artistic work is unsatisfactory. Ideological confusion, uncertainty, and sometimes a departure from the realistic processes of our society are discernible in some areas of artistic work.

The main goal of the party's policy on arts is to create the necessary prerequisites for art to fulfill its fundamental social tasks. Our fundamental principle remains to ensure the freedom to create, support artistic initiatives and experimentation, and aid the independent and responsible function of creative workshops.

Without abandoning the diversity of ideas and styles characteristic of literature and the arts, efforts should be made to ensure that works of a socialist spirit determine the scale of values. Artistic criticism and theory should play a more effective and initiating role than heretofore in rating contemporary Hungarian and foreign literary and artistic trends, values, and controversial endeavors. It is necessary to act resolutely against endeavors that are alien to our ideals and distort our socialist conditions.

6. The spreading of culture and the improvement of general and vocational education constitute an important prerequisite for our social and economic progress. Our people's culture has become richer, but we have not yet been able to satisfy cultural requirements on a sufficiently high standard. The substantive work of cultural institutions must be modernized. Television and radio have a particularly important role in stimulating and satisfying cultural requirements. We should expand the bases of the work of spontaneous artistic and cultural groups, and improve the standard of entertainment affecting millions of people.

7. The party's guiding and initiating role in artistic and cultural life should be strengthened. Enhancing the communists' sense of responsibility and strengthening their unity, a principled procedure in the work of guiding, intensifying organization and discipline, and strengthening Marxist criticism are inseparable from this. State and economic regulation should be continuously modernized in accordance with cultural policy principles and interests. We should allot public funds primarily to supporting socialist values and ventures that enrich mass culture on a high standard. The system of cultural institutions should adapt better to contemporary requirements.

8. Ideological work must be developed in close harmony with the accomplishment of political, economic, and cultural tasks. The success of this work is an important criterion of the entire activity of party organs and organizations. Ideological work at the basic organizations should prepare communists to effectively spread our ideas in their environment, explaining our policy and mobilizing the working people to implement our objectives. It is the duty of all communists to come out with a resolute stand and convincing argumentation in favor of our ideas and the party's policy and against views alien to socialism. Guiding party organs should provide substantive and methodological assistance for this. Aiding the work of state and social organs through their ideological activity as well is an important party assignment of communists working in state institutions and social organizations.

VI.

The Party and Mass Organizations

The MSZMP, the revolutionary vanguard of the workers class and the party of the working people, effectively directs and organizes socialist construction and fulfills its leading role. It expresses through its policy and proves through its activity that it fulfills the obligations it has assumed in the service of the people. The relationship between the party and the masses is good; and the people trust the party, support its policy, and work for its implementation. The Leninist norms assert themselves in the party. The more complex situation and more difficult tasks tax the party organizations and communists as well. The majority of party members live up to their commitments in an exemplary manner. Party organizations strive to adapt to the changing tasks. Their independence, initiating ability, and responsibility have increased, but party work is still burdened by many formalistic and bureaucratic features. The implementation of some party resolutions progresses slowly. In some of the party members, uncertainty, timidity, and a loosening of party discipline can be seen in their representation of the party's policy.

1. The strengthening and further expansion of the party's ideological and political influence constitute a cardinal requirement for the successful continuation of socialist construction. Marxist-Leninist policy, which expresses and serves the interests of our people and nation and takes into consideration the real position of society, is the basis for exercising the leading role. The representation and implementation of this policy greatly depend on organizing and supervising the implementation of resolutions. This is the weak point of our work today. More attention must be paid to the organization, execution, and supervision of work at every level. Drawing nonparty people into thinking and acting jointly are primary tasks of party organizations and communists.

Asserting the leading role and successfully implementing policy requires the ideological, political, organizational, and action unity of the party. Party unity is not something that is given once and for all; it must be continuously renewed. This is aided by a consistent assertion of democratic centralism in party life. Uninhibited debates in party bodies and forums and the confrontation of views play an essential role in shaping policy, creating unity, and establishing and strengthening bases for joint action. Standing up for party policy and accepting responsibility for its implementation are the test of unity.

The effective functioning of the party presupposes consistent observance of the rules of party life and Leninist principles, a strengthening of the democratic function of the party forums, party-minded criticism, and assertion of the rights of party members and of party discipline. The open and democratic community relations within the party have an effect on public life in general and even influence it in a determining way. There is a need to create more opportunities than has been the case up till now for the party membership to be able to express its opinion, present proposals, and participate more in preparing decisions in the party's forums before decisions are made on social issues of greater significance. Important subjects of public interest should be on the agenda of the party forums and membership meetings more often. Those who participate in the membership meetings and the meetings of elected bodies are communists who have equal rights and responsibilities. No one should consider himself inferior or superior. Everybody must be able to express his opinion freely at the party forums, and the opinions expressed must be considered on merit in decisionmaking.

The independent activity and initiative of the basic organizations and membership meetings play an important role in working out, implementing, and supervising the policy of the party. It is necessary to intensify those features of party work that enhance its character as a movement and to curtail and eliminate the authoritative conception and style, the formalism. There is a need to develop consensus and activity in support of the party's policy through politicizing, reasoning, and exchanging views. The communists should encourage the disclosure and solution of problems and the correction of wrong practices.

The membership meetings also play an important role in educating party members; those communist norms of behavior to which party members have to conform should be developed and accounted for in the community. The party organizations should create a community with a good atmosphere. This will contribute to the party members being even more characterized by firmness, modesty, and disciplined attitude.

2. The party has 862,000 members, 50,000 more than at the time of the 12th congress. By original occupation almost three-quarters and by current occupation more than half of them are workers and cooperative peasants. The political, professional, and general education of the party members has improved. The party structure is weak among youth and in certain strata of the intellectuals.

In the course of accepting new members, there is a need to pay great attention in order to make sure that people from all strata of society who are active in public life, are living in a socialist way, and enjoy respect through their work, attitude, and social activity, get into the party. There is need to carry out more conscientious political activity of persuasion and organization in order to ensure that the best young working people and students apply to the party in greater numbers, thus enlarging their proportion. We must part company with those people who do not fulfill their obligations and who have become unsuitable for party membership. Each party organization and communist is personally responsible for strengthening the ranks of the party.

3. The members of the elected bodies and the leading collaborators of the party and state apparatus play an outstanding role in implementing the policy of the party and in accomplishing the tasks facing the country. The majority of the leaders, through their work and attitude, deserve trust and are well-suited to carrying out their tasks. The party has to continue to take responsibility to make sure that people who are suitable and competent work in leading positions. This again proves the principle and practice that any suitable nonparty member can fill any position, except the party functions. Based on the principles of cadre policy, there is a need to better adjust the practice of cadre activity to social-economic requirements and to the development of socialist democracy. There is a need to increase the responsibility of competent party, state, and economic organs in solving cadre issues in due time. In the course of their decisions, the competent party bodies should analyze first the leaders' political and moral suitability. They should demand a responsible judgement concerning professional competence from the relevant state and economic guiding organs.

For leading positions there is a need to nominate people, including greater numbers of young people and women, whose work proves that they are serving the cause of socialism with commitment and that they possess high-level professional knowledge and accept responsible decisionmaking and activity. The party organs and organizations should support leaders who show initiative, adopt new things, and demand order and discipline. The leaders' activity should be judged according to their performance and attitude. There is a need to take a most firm position against all kinds of manifestations of power abuse. Irrespective of position, everyone is requested to keep the socialist norms.

There is a need to expand the democracy of cadework and to increase its openness. This is the best antidote to the subjectivism which even today often distorts the principles of cadre policy. There is a need to better place the selection and activity of the leaders under the supervision of the public. In the area of state and economy the majority of leading positions have to be filled through elections and open competition; it is necessary to increase the frequency of appointments and assignments made for a limited period of time. Where the possibilities exist, several candidates should be presented. The social organs and democratic forums should make use of their rights. Dealing with the cadres should be made more systematic and there is need to improve the leaders' training and extended training.

4. Each party organization and communist has an outstanding role and responsibility in solving the great and difficult tasks facing the party and the people. Our party has rich experience, tempered by struggle, and enjoys the people's confidence. It possesses every essential condition to have the construction of socialism in Hungary successfully continue under its leadership. In order to achieve this, however, there is also a need for the party to increase its activity, develop its work style and work methods. All party organs and organizations and all communists should fulfill the greater requirements; everyone in his place should work with all his knowledge, with discipline for our people's prosperity and the further successful development of our socialist fatherland.

5. The mass organizations and movements, the important factors of our social life, play an indispensable role in the construction of socialism. The trade unions, KISZ, the PPF, the women's movement, the organs safeguarding the interests of the cooperatives and other mass organization and movements are carrying out their tasks independently and successfully and in line with their purpose. In working out and implementing its policy, the party requires the active participation of the mass organizations and movements, counts on their initiatives, relies on their experiences, and takes into account their opinions. It supports every association and movement of public usefulness which operates on a socialist basis and in harmony with our laws.

In accordance with well-proven practice, the party guides the mass organizations and movements politically and ideologically and enforces its policy through the communists active in them. The communists should increase the party's influence in the mass organizations and movements through their exemplary attitude and persuasive activity. They should aim them in successfully accomplishing their tasks.

6. Our party relies on the trade unions, the most extensive organizations of workers living on salaries and wages. It requires their participation in working out, accepting, and implementing policy. The Hungarian trade unions take part in exercising power, carry out their tasks independently, mobilize the workers for socialist construction work, and represent and defend their members' interests and the legal rights of the workers. They play an indispensable role in the construction of our socialist society, in the strengthening of national solidarity, and in the creation of understanding and cooperation with the working masses.

The trade unions should strengthen their activity to safeguard and represent interests because this is necessary for increasing their influence, for successfully mobilizing their membership in order to increase our society's political and economic strength, and for demanding the disciplined fulfillment of the obligations. Through the development of socialist work competition, the development of the creative force of the workers, and the deepening of enterprise workplace democracy, they should contribute to the active participation of the workers in production and in the implementation of policy. The trade unions should pay special attention to the development of their organizational life and to the political education of the young people and the representation of their interests.

7. KISZ, the active political factor of our socialist system, the homogeneous political organization of the Hungarian youth, is operating as a separate organization with the guidance of the party. It successfully participates in accomplishing the tasks facing society. Its main purpose is to propagate and represent the party's policy, to win the youth over to our socialist goals, to represent and defend the particular interests of the young people, to expose their problems and mediate with the party and state organs, and to contribute to their political and professional development.

The youth league is to strengthen the youthful features of its work and those features characterizing the league as a movement. It should nurture its members to love the socialist fatherland, and behave and act with responsibility. It should foster our progressive traditions, strengthen national sentiment and internationalist solidarity, and contribute to intensifying understanding and friendship among peoples and among young people of different nationalities. Young people should acquaint themselves better, as part of our national history, with the struggles of communists and the experiences of socialist construction in Hungary.

The party's organs and organizations are directly responsible for supporting the KISZ organizations guided by them. They should strengthen their independence and encourage their initiatives. Together with KISZ organizations, they should attend to the education of young people suitable for becoming party members.

8. The PPF effectively helps the assertion of the party's policy of alliance and the national collaboration being realized with socialist objectives in mind. It fulfills its tasks under constitutional law and is an active participant in public life.

The PPF should continue to assume an active role in efforts that serve socialist construction and the socialist development of social conditions. Pursuing the policy of alliance, it should strengthen our people's cohesion and mobilize them to accomplish the tasks facing the country. It should strive to ensure that, as a result of its work the number of people participating in public life increase in every class and strata of society. It should contribute to having as many people as possible express their views in debates of national significance and of local public interest. The forums of the People's Front should be instrumental in making thought and action a joint, general process, and should strengthen respect of and attentiveness to one another. The People's Front committees should assume a greater role in the shaping and accomplishment of settlement policy tasks. They should espouse the cause of nature and environmental protection. They should be initiators and organizers of meaningful social work that serves communal objectives.

VII.

The Party's International Activity

The international communist and workers movement is the most important and consistent force of social progress. The communist and workers parties develop their policy and conduct their activity independently, in conformity with national characteristics, traditions, and requirements. Analyzing events of social development and international life, they strive to provide suitable answers to new questions, based on Marxism-Leninism and consistent with the requirements of the era. They represent their position in world politics in awareness of the historical responsibility borne for the destiny of peoples. The communists are proponents of peaceful coexistence between countries with different social systems, and the most consistent combatants for averting the thermonuclear catastrophe threatening mankind and for consolidating international peace and security.

1. The communist and workers parties are the leaders of building a new society in the socialist countries; they are waging a multifaceted struggle for the assertion of the political and economic rights of the working people, for a retention of the achievements already attained, and for the creation of the prerequisites needed to terminate exploitation in the developed capitalist countries; and they are waging a struggle, which calls for sacrifices, for national independence and its consolidation, for liquidation of backwardness, and for economic and social ascendancy in the developing world.

The political influence of the international communist and workers movement is expanding throughout the world, and its organizational strength is increasing; new parties are coming into being. The communists are working actively in public life and social and mass movements.

However, the operational conditions of some parties of the movement have become more unfavorable; setbacks have also been suffered by them because international tension has increased, anticommunism has intensified, and the domestic conditions of their work are more complicated in general than previously. Making allowances for the results and failures, our movement is characterized by endeavors in the interest of a renewal.

To attain their most important common objectives, the fraternal parties are strengthening their internationalist solidarity. Cooperation has become tighter among the socialist countries' communist and workers parties; high-level meetings and working meetings to coordinate tasks have become more regular. The fact that communists act in concert in the worldwide struggle to preserve peace is of particular significance.

The unity of the communist and workers parties must not be weakened by the debates that necessarily take place about paths leading to socialism, the already existing socialist society or the one designated only as a goal, and about the relations between parties. If they keep the success of the common cause in mind, such debates are natural, enrich the theory of Marxism-Leninism, and usefully foster the accomplishment of practical tasks. However, views and manifestations that deviate from the universally accepted fundamental principles, and disparage the results and efforts of certain parties are causing harmful tensions in the relationship of the parties, making concerted action more difficult, and weakening the movement's influence on the solution of the fundamental issues of our era.

2. The MSZMP is taking an active share in strengthening the solidarity of the international communist and workers movement and in promoting our common cause. It regards as important an open, comradely exchange of views held in a creative atmosphere, and the multilateral and bilateral forms of this. It is taking a share in the common efforts aimed at maintaining world peace and social progress.

Our party closely cooperates with the CPSU, the most experienced force of the international communist and workers movement. It develops its cooperation with the fraternal parties active in the socialist countries. The interparty cooperation, which is becoming increasingly rich in content and form, usefully contributes to the more thorough knowledge of each other's experiences, to their adequate utilization in domestic conditions, to strengthening the friendship of our peoples and the solidarity of our countries, and to achieving our common goals.

The MSZMP is developing its relations with the communist and workers parties active in the capitalist countries; it follows with attention their creative path-finding, declares solidarity with them, and supports their struggle for limiting the power of monopoly capital, for the safeguarding and spreading of democratic rights, and for social progress. The MSZMP is expanding its cooperation with the communist and workers parties of the developing countries; it pays particular attention to the newly created Marxist-Leninist parties and aids them in their just struggles.

Our party declares its solidarity with the national liberation movements of the developing countries and their national democratic parties; it supports their struggles against racial discrimination, dictatorial systems, and neocolonialism, and for the independence of their peoples and their social advancement.

The MSZMP is further building its relations with the socialist and social democratic parties. It regards as important every exchange of views with every party and movement which feels responsibility for the cause of peace.

Ideological differences, and different judgments of certain events and realities of social development and international life cannot prevent us from collaborating and cooperating in solving the most important international problems concerning the fate of humanity, in safeguarding world peace, in struggling for disarmament, and in promoting the peaceful coexistence of countries of different social systems and their mutually advantageous relations.

Our party, in accordance with its revolutionary mission, has taken upon itself a historical responsibility in the construction of socialism in Hungary. By leading the socialist revolution to victory it has become, through the confidence of the people, the leading force of our nation. Its policy expresses and faithfully represents the fundamental interests of our people. At the same time it is an organic part of the international communist and workers movement, and declares its solidarity with the worldwide struggle for socialism. The existence and development of the international communist and workers movement and the important support of the domestic construction of socialism make it possible for our country to join the most progressive current of social development. The achievements of socialist construction in Hungary serve equally the advancement of our people and social progress, the universal cause of socialism and peace.

COUNCIL ACCEPTS GUIDELINES ON MANAGEMENT CHANGES

LD070018 Budapest Domestic Service in Hungarian 2100 GMT 6 Dec 84

[Text] At its session today, the Council of Ministers accepted joint guidelines with the National Council of Trade Unions Presidium on the tasks related to establishing the new forms of enterprise management. By 31 December the enterprise founding organ, in agreement with the minister of finance and taking into account the opinions of the relevant trade unions and the county or Budapest party committee, is to take a stance as regards the form of management and organizational frameworks in which the individual enterprise should continue to function. This preliminary stance will be published in the official paper of the branch; then it will be outlined to the workers at the workshop democratic forums, production consultations, and combined meetings of trade union members. Their opinions and proposals will be asked for; it will be put to the vote. Together with the opinions of the minority, the stance of the workers will be made known to the founding organ. For example, the workers can ask for a change in the planned form of enterprise management, the date of introduction, or that the founding organ disregard the original proposal. Opinions can be sent to the founding organ by 30 April at the latest, and after this the final decision will be reached within 60 days. At a considerable number of enterprises an enterprise council, workers general assembly, or delegates assembly will perform the general management tasks in the future. The form and substance of the state direction of the majority of enterprises will change; the present enterprise supervision will cease. Only some of the enterprise will remain under the direction of state administration.

OFFICIAL ON POSITION OF ENTERPRISE DIRECTORS

AU051430 Budapest MAGYAR HIRLAP in Hungarian 30 Nov 84 p 5

[Interview with Dr Gyorgy Lorincz, deputy head of a department of the Ministry of Justice, "(ACS)": "Question by Domestic Panorama: What Does the Future Hold for Directors?"; date and place not given; first paragraph is MAGYAR HIRLAP introduction]

[Text] The Council of Ministers has modified one of its previous decrees regulating the legal status of enterprise directors.

This became necessary because the position of the directors of enterprises under the general management of enterprise councils, or general meetings (meetings of deputies) of the working people will also change on 1 January. We asked Dr Gyorgy Lorincz, deputy head of a department of the Ministry of Justice, about the details.

[Acs] For what duration can directors be elected, and can they be released from their posts?

[Lorincz] The enterprise council, or the general meeting (meeting of deputies) of the working people elects the director for a definite period of time, in general for 5 years. This requires the previous approval of the founding organ. And if the director is unsuitable for performing his work, or if he fails to fulfill the requirements defined at his election, his employment can be terminated -- by releasing him -- before that period expires. According to the decree, the employment of a director who has not been dismissed for disciplinary reasons elsewhere or his employment in some other type of work is to be facilitated.

[Acs] By whom?

[Lorincz] It is difficult to give a general answer to this. At what place and in what sphere of work a former director continues to work depends on specific circumstances. His own decision must definitely be taken into consideration: Does he wish to remain at the same enterprise in a lower position?

[Acs] Under the new form of management, who exercises employer rights over the director?

[Lorincz] The enterprise council can delegate certain rights that do not fundamentally affect the director's terms of employment to the chairman of the enterprise council. For instance, the granting of the director's annual leave can be conceived of as falling under this delegated area. The general meeting (meeting of deputies) of the working people elects the director, calls him to account for his activity, and releases him; all other rights of an employer are exercised by the management of the enterprise.

[Acs] Why was the disposition introduced allowing directors to take their labor disputes directly to the labor affairs tribunal?

[Lorincz] Such disputes are at present not judged by the labor affairs arbitration committees either, because in general they must be taken to one's superior at his place of employment. The point is, however, that in the future supervision over legality will be applied at the enterprises under the general management of enterprise councils, or general meetings (meetings of deputies) of the working people, and a settlement of the labor disputes of the directors concerned would be inconceivable within the framework of this.

[Acs] What does the future hold for "conventional" directors?

[Lorincz] As before, the labor disputes of working people in higher leading positions at enterprises that remain under state administrative supervision will be judged in accordance with the present system.

CENTRAL ANNUAL PLAN FOR 1985 OUTLINED

AU041504 Warsaw RZECZPOSPOLITA in Polish 30 Nov 84 pp I, II, 5

["Report on the Central Annual Plan for 1985"]

[Text] I. The Process of Developing the 1985 Central Annual Plan

The principles of the plan were adopted by the Council of Ministers in its decree 96/84 dated 13 July 1984, which was 3 months earlier than in 1983, and were immediately submitted to the public for examination. At the same time, the Council of Ministers adopted decree 97/84 on ways to direct the implementation of the central plans, government orders, and operational programs for 1985. In this way the enterprises were informed much earlier about the government's economic plans and about the conditions for the functioning of the economy in 1985 and were thus given an early opportunity to formulate their own plans.

Between the moment when the principles of the plan were adopted and when the draft central annual plan was worked out, certain changes, at times quite crucial, occurred in the determining economic factors. In addition, it was possible to obtain a better picture of the needs and potential of the economy as a result of the consultations with the public about the principles of the plan. All this was incorporated in the draft central annual plan. In line with the law on socioeconomic planning, the draft plan was again the subject of consultation with the trade unions on 7 November 1984 with reference to wage and price policy as well as working and living condition. On 19 November the Council of Ministers examined the draft and adopted it as the 1985 Central Annual Plan, taking into account the results of consultations with trade unions, the modifications submitted during consultations among the ministries, and the proposals made during the meeting of the Council of Ministers.

The higher implementation of the plan in 1984: The exceptionally good harvest this year and slightly better production results, especially in industry and construction, are responsible for the fact that the national income in 1984 will be higher than originally projected.

It is also expected that trade with the capitalist countries will be below expectations, mainly because of the failure to fully implement the planned export of electroengineering articles. As a result of all these changes, the level of production as a starting basis for planning the 1985 economic tasks has been raised.

The basic choices: As a result of public consultations and of various analyses and evaluations, the central annual plan:

-- continues last year's basic task of accelerating the process by which we regain the economic balance and reduce the rate of inflation;

-- is based on Alternative I. for developing the money-market balance. This alternative provides for using the entire expected increase of 4 percent in the flow of goods for improving this balance. In order to do this, the planned rate of increases in wages and pensions must not be exceeded;

-- provides for this year's level of investment outlays; the results of consultations and the more exact data on the structure of investments -- this data was obtained during planning work -- indicated that the planned reduction of some Z100 billion in the 1985 investment outlays would improve the investment balance, but it would also prolong the schedules of important projects or slow the effectiveness of modernization investments;

-- Introduces changes in the structure of the flow of consumer goods, mainly by increasing the rate of increases in the flow of food by 1.8 - 2.1 percent as compared with the planned increase of 1 percent. At the same time, government orders were issued for the materials that guarantee the flow of consumer goods;

-- adopts the alternative that provides for building 190,000 apartments next year as stipulated in the 1984 plan.

To recapitulate: The main target of the central annual plan is to improve the economic balance, to stabilize investment outlays at the 1984 level, and to increase production and trade in excess of the original figures.

II. The Determining Factors of the Plan

Manpower resources: It is estimated that in 1985 the population will increase by 290,000 or by 0.8 percent, and will reach a total of 37.4 million persons at the end of 1985.

The people born during the natural birthrate depression in the sixties are now reaching production age, which means that the number of persons of production age will increase by only 37,000, whereas the number of persons of preproduction age will increase by 143,000 and of those of postproduction age will increase by 110,000. The burdens of the people in the production age will increase in order to maintain the other people.

It is expected that the increase in manpower will amount to 30,000 persons in 1985, which will result from the increase in the population of production age and from shifts in jobs. It is most necessary to increase employment in the nonproduction sector by 39,000 persons. The increase in vacancies in the production sector will amount to 51,000 persons.

Because of only slight increases in manpower, the increase in production can be achieved only through increased productivity. The main sources of increased productivity include the necessary increase in production facilities and a more effective exploitation of working time. Increasing the genuine exploitation of working time by just 1 hour a week is equal to increasing manpower by some 230,000 persons.

The supply of fuels and materials: The supply of the basic fuels and raw and other materials will increase by 1.7 percent in 1985. This increase will include a 1.7 percent increase in supplies of producer materials and a 1.8 percent increase in the flow of consumer goods to the marketplace. In order to rationalize the management of energy sources and to meet basic needs, the rationing of electric power, gas, and liquid fuels will be maintained. Because of a small increase in the flow of raw and other materials, the complete exploitation of the ways and means by which the rationalization of producer goods management is effected will be of basic importance for efforts to overcome the hitches in the flow of these materials.

The low rate of renewing fixed assets: A clear slowing down in renewing fixed assets and an increase in the average age of machines and equipment are results of a considerable reduction in capital spending from 1979-82. In 1979 the increase in fixed assets on account of completed investment projects accounted for 8.9 percent of the overall value of these assets, but in 1983 this percentage amounted to only 2.9 percent.

The aging and depreciation of some of our fixed assets are why we must be especially careful in properly using our machines and equipment, which are not used carefully in many cases.

It should be stressed that the public consultations about the 1985 Central Annual Plan confirmed the conditions under which it is to be implemented. They also produced a number of observations indicating the need to focus efforts on the task of overcoming various restrictions in various ways, especially by rationalizing the consumption of materials and energy, by increasing productivity, by tightening investment processes, including housing investments, by developing modern technologies, and by improving the quality of products. These observations were incorporated in the 1985 Central Annual Plan in the form of suitable tasks and mechanisms.

III. The Planned Goals and Their Implementation

The main goal: The main goals of the plan were set forth in the National Socioeconomic Plan. Improving the economic balance, which is a condition for implementing other goals, is a goal on which the plan lays special stress.

The economic balance determines in particular the effectiveness of economic processes, the force of work incentives, and the efficacy of economic mechanisms.

The results of the public consultations about the draft plan indicated that efforts to restore the economic balance are of overriding importance and that these efforts should even be accelerated. The assumptions of the 1985 Central Annual Plan in this regard gained decisive support.

The organization of the plan: As for the policy of formulating performance indicators and employing the means of influencing enterprises, the plan's assumptions do not provide for any basic changes in the conditions of the functioning of enterprises. Only some economic performance indicators will be tightened.

Concessions and preferences: As for fiscal concessions and preferences for 1985, the policy is not to increase them. Such preferences were granted to the branches and lines of production 1) whose accelerated development is especially desirable in the light of the economy's key tasks (for example, electronics, farm-food industry, light industry, transportation, enterprises concerned with infrastructure, and similar sectors; and 2) which are most necessary for the economy, but have no resources for equipment and wages (for example, the raw materials industries).

During the consultations about the 1985 Central Annual Plan two divergent views asserted themselves with regard to concessions and preferences. The first group of views criticized the partiality of concessions and preferences and their magnitude. The demands in this connection boiled down to tightening the performance mechanisms and indicators, especially those that determine improvements in the effectiveness of economic management and the restoration of the economic balance.

The second large group of views and demands postulated further concessions and preferences for specific units and sectors of activity.

As for the control of producer materials and equipment procurement processes, investment activities, foreign trade, technological progress, the flow of consumer goods to the marketplaces, and prices and loan policy, the plan stipulates various recommendations and decisions through which state administrative bodies and banks apply in a coordinated manner the measures that can ensure the implementation of the main goals of the plan.

It is possible to increase the impact of these measures primarily by ensuring that the fiscal situation of enterprises and above all wages are made dependent to a greater extent on enterprises' good economic performance record.

IV. Producing National Income

The central annual plan stipulates that the produced national income will increase by 3-3.5 percent and that this increase will be composed of increases in the individual sectors of production.

1. Industry and Construction

The upsurge in industrial production: The increase in industrial production should be 4-4.5 percent. It is expected that increases throughout the production branches will be as follows:

Fuel-energy industry -- 2.2 percent; metallurgical industry -- 4; electroengineering industry -- 4.8 - 5.7; chemical industry -- 7.8; mineral industry -- 4.6; timber and paper industry -- 3.9; light industry -- 6.2; and food industry -- 2.5-3.2.

The differing increases in the production of the individual sectors will be determined by the flow of producer materials and by the tendency to adapt the structure of production to socioeconomic needs, which were clearly articulated during the public consultations about the plan. As was indicated, scientific-technological progress, which is taking place in industry and can be seen in chemical and electroengineering products, acts as a driving force of the economy -- a force that determines to a great extent the ability of the economy to develop. It is expected that in 1985 the increase in the production of these industries will be much more dynamic than the increase in production in general.

During the consultations about the central annual plan it was particularly enterprises and their work forces that expressed the view that it was difficult to assume that industrial production can be increased by 4-4.5 percent, what with the low increases in the flow of producer materials. A poll carried out in 1,176 enterprises also showed that they often plan to increase their production without the necessary provisions for conserving materials and energy in 1985.

The production of producer materials: The production of the major producer materials should be as follows in 1985:

	thousands of metric tons	1984 indicator equals 100
bituminous coal	191,500	100.0
lignite	53,000	110.4
coke	16,150	98.7
processed crude oil	14,220	103.9
electric power in billions of kwh	136.5	100.7
rolled goods	12,100	101.7
copper	385	104.1
zinc	179	101.4
lead	81	100.0
sulfur	5,000	100.3
nitrogen fertilizers	1,460	103.9
phosphorous fertilizers	920	104.3
cement	17,500	102.9
paper	1,090	104

The basic problems: The basic tasks of industrial production include 1) achieving two-thirds of production increases through lowering the per unit consumption of energy and materials; 2) ensuring that all production increases are achieved through increased productivity; 3) increasing the export of electroengineering products; 4) ensuring that the flow of nonfood goods to the marketplaces increases at least by 5.8-6.1 percent in fixed prices; and 5) improving the quality of goods.

Controlling the structure of production: The priorities in the flow of producer materials in 1985 will help control the structure of production. These priorities will be extended to export production, the production of the goods and services covered by government orders and operational programs, the production to further the country's defense and security; and the production of the units that legally employ handicapped people.

Government orders and operational programs cover some of the basic consumer goods. This form of accelerating increases in production also covers the production of the goods used by agriculture and the production of many raw and other materials.

Construction: As a result of the planned stabilization of capital spending and taking into account the urgent needs in the area of repairs, it is expected that in 1985 the general volume of construction and assembly work will be increased by 1.4 percent, that this small increase will improve the balance in this sector, that repair work will increase by 6 percent, and that investment outlays should be maintained at the 1984 level.

2. Agriculture and Forestry

The basic goal: As for agriculture and the food economy, we will continue in 1985 to implement the tasks laid down by the joint resolution of the PZPR Central Committee and the ZSL Supreme Committee, which seeks to constantly improve the food for the nation and to gradually achieve the country's self-sufficiency in food.

Overall production: As for animal production, we should achieve gradual progress in building up the cattle and hog population with the help of our own fodder from the favorable harvest in 1984 and with the help of imported rich fodder. As for plant production, we should be able to produce yields of at least the average level of the past few years. This would mean that our overall production would amount to 99.2-101.4 percent of the 1984 production. This would include a 96.5-99.5 percent level of plant production and an animal production increase of 2.4-3.6 percent.

Yields and procurement: It is expected that the yields and procurement of basic plants would be as follows in 1985:

	yields in thousands of metric tons	procurement in thousands of metric tons	1984 yields equal 100	1984 procurement equals 100
all grains	22,200-23,000	5,300-5,700	91.7-95	81.5-87.7
oleaginous plants	740-840	710-810	80.4-91.3	78-89
sugar beets	15,300-16,000	15,300-16,000	97.8-102.2	97.8-102.2
potatoes	39,000-42,000	5,500	105.4-113.5	100
vegetables	4,800	1,300	100	104
fruit	2,400	1,400	104.3	107.7

The lower level of 1985 indicators in the case of grains, oleaginous plants, and sugar beets is a result of the fact that these yields were very high in 1984.

Animal production: It is expected that the number of cattle will increase by 300,000 animals to 11.5 and the number of hogs by 840,000 animals to 17.5 million. This will result in the following level of animal products in 1985:

	production in thousands of metric tons	procurement in thousands of metric tons	1984 production equals 100	1984 procurement equals 100
all				
slaughter				
livestock,	3,600	2,820	103.6	104.8
including				
pork,	1,830	1,330	110.9	115.7
beef,	1,200	1,130	98.4	98.3
poultry,	360	240	100	100
slaughter				
livestock in				
terms of				
post-				
slaughter				
weight	0	1,850	0	106.3
milk (millions				
of liters)	16,000-16,500	11,000-11,300	98.2-101.2	97.3-100
eggs (in	0	3,200	0	106.7
millions)				

Investments: Land reclamation operations (102,000-120,000 hectares), supplying agriculture and rural areas with water, and modernizing the network of electricity will continue to be the basic lines of agricultural investments. To ensure the implementation of these tasks, the government will order plastic pipelines, water pumps, and waterpipe-lines installations. As for the food industry, government orders cover 25 investment tasks. In addition, efforts will be made to accelerate the construction of metal grain silos capable of holding 1 million metric tons and of 200 grain drying plants and to begin the construction of four grain elevators capable of holding about 200,000 metric tons.

The supplies of production means: Relatively high supplies of production means will achieve the planned level of farm production. In line with public demand, the supplies of machines and equipment will increase by 8.5 percent and the supplies of spare parts will increase by 11.8 percent. Some 61,000 tractors and 1.37 million tires, including some 700,000 tractor tires, will be supplied. The implementation of this program will be carried out in line with an operational program.

A number of basic means of production for farming have also been included in government orders.

The supplies of mineral fertilizers in 1985 will amount to 3.68 million metric tons in terms of pure compound. This figure includes 1,435,000 metric tons of nitrogen fertilizers. These supplies will make it possible to use 193-195 kg fertilizers per hectare for the 1985 harvest, which will be 8.4-9.6 percent more fertilizers than were used for the 1984 harvest.

The supplies of lime and magnesium fertilizers will amount to 2.85 million metric tons, increasing by 5.6 percent, and the supplies of plant production chemicals in terms of active substance will amount to 12,200 metric tons, increasing by 14 percent.

The supplies of state rich fodder will amount to 4.6 million metric tons and will increase by 4.5 percent. This fodder will be enriched with protein as a result of the import of 1.25 metric tons of high protein fodder.

Forestry: The 1985 plan provides for further intensification of tasks connected with improving the state of forests and with reproducing the forestry resources enfeebled by various disasters. The destruction of forests by insects, mainly by the gypsy moth, has been stopped for the most part.

Our top task continues to be removing timber wasted by natural and other disasters. We plan to cut about 24 million cubic meters of rough timber, which will be at about the 1984 level.

Cultivation work on newly afforested areas should involve 563,000 hectares, which will be 20 percent more than in 1984.

3. Transportation and Communications

Freight tasks: Increased material production in 1985 will require increased freight facilities in that we will have to transport some 1.11 billion metric tons of freight by rail and trucks. Freight by rail will increase 2 percent and by trucks 1.4 percent. We expect maritime freight to increase by 1.4 percent and transloading operations in ports by 1.9 percent.

Because of reduced outlays on investments and operations and because of a large repair backlog, the difficult conditions of transportation performance continue. During the consultations about the central annual plan attention was drawn to the vital importance of transportation for the functioning of the economy, to the defects of the transportation base, and to the intensive processes of depreciation of equipment.

Action will be taken to get transportation users interested in costs, in greater concern for rolling stock, and in rationalizing freight. The operational program for public rail and road transportation will also help improve the situation. The program stipulates that the delivery of freight cars should amount to at least 6,000 and of passenger cars to 450. Action will be taken to increase the number of freight cars to be repaired to 18,500 and passenger cars to 6,550. Capital repairs will be carried out over 2,500 km of rail embankments. The repairs of public roads will be increased by 13.2 percent.

Improvements in economic efficiency and shifts in organization: Further improvements in the technical serviceability of rolling stock, in exploiting its loading capacities, and in speeding up its rotation are necessary. Wherever possible and desirable truck transportation will be shifted to rail transportation, including electric traction.

Electrification: The speed of electrification of the basic railroad lines will be accelerated and selected switching stations will be rebuilt. This will help electrify over 550 km of railroads.

Telephones: Next year the telephone network will be expanded by some 116,000 new telephone subscribers. This will increase the number of telephone subscribers per 100 inhabitants from 6.3 in 1984 to 6.56 in 1985. The value of the services provided by communications will increase 4.8 percent compared with 1984.

4. Foreign Trade

Trade with the socialist countries: Exports to the socialist countries in current prices will increase by about 7.1 percent and imports from these countries in current prices will increase by 8.5 percent.

The adverse balance of payments with the socialist countries will amount to about R600 million, which is Z44 billion and will apply mainly to our trade with the USSR. This means that in 1985 our economy will continue to be supplied with the goods imported from the socialist countries in excess of our exports to these countries. This is of great importance for maintaining the development trends in production.

Trade with the capitalist countries: It is expected that our exports to the capitalist countries will increase by 7.2 percent.

The funds earmarked for imports will be used in line with the following plan: Some 82 percent of these funds will be used for purchases of producer materials. Some 18.6 percent of the value of the imports of producer materials from the capitalist countries will be used to import 1.25 million metric tons of fodder and 3 million metric tons of grain. Some 11 percent of these funds will be used to promote the flow of consumer goods to the marketplace and 7 percent to import capital goods.

5. Small-Scale Production

The value of products and services by socialized small-scale production may reach Z604 million in 1985 or 9 percent more than in 1984. It is estimated that production by handicrafts shops may amount to Z440 billion or 17.3 percent more than this year. This high growth rate will mean that production by small-scale production enterprises and handicrafts shops will constitute 9.7 percent of the total industrial production in 1985, whereas in 1984 it was 9.1 percent. An even faster growth in market supplies than in production from these sources is envisaged; a 9.6 percent growth in the case of socialized small-scale production enterprises and a 20 percent growth in the case of handicrafts shops. This means that products from these two sources will constitute 11.7 percent of all market supplies.

An issue that dominated consultations on the draft 1985 plan held with organizations representing the small-scale production sector was the specific nature of this activity and the nonapplication of general economic instruments and standards to it.

6. Goals of Action Concerning Science, Technological Progress, and Improved Quality of Goods

The basic goal of 1985 state policy concerning science and technological progress will be to fulfill national economic and social aims.

Controlling research: Preference will be given to activity whose results forecast the fulfillment of intended social goals and tangible economic results, especially in those spheres affected by the economic restrictions.

The work defined in the 1981-85 basic national research program will be continued and adapted to current needs and possibilities of performing it. The solution and completion of the following is foreseen in 1985:

- 8 government programs;
- 72 complex problems;
- 74 interministerial problems;
- 220 ministerial problems.

About 189 research and development tasks and 19 tasks involving the introduction of new inventions have been included in the government orders system.

Research by institutes and places of higher education, being an important part of and a supplement to central research into programs and problems and the basis on which to establish future research priorities, will continue to develop.

During the social consultations on the draft 1985 plan, some scientific research communities, especially the Polish Academy of Sciences, demanded that outlay in this area of the economy be generally raised and that the level of this outlay compared to the national income be raised to the amount foreseen in the National Socioeconomic Plan. This was approved.

Expenditure on research: Total expenditure on research and development work in 1985 will total Z131 billion. This will be about 1.8 percent of the national income allocated for distribution. The funds allocated for science and technological progress will be 31 percent greater than in 1984.

It is planned to raise the contributions payable by enterprises to the technological progress fund by about 42 percent in 1985. The principle is being preserved whereby enterprises will pay 50 percent of these contributions into the central fund. Preferential industrial branches from the point of view of technological progress may receive higher subsidies from central funds.

Inventiveness: Activity concerning inventions will concentrate on:

- a fuller use of workers' initiatives; a review of Polish inventions is planned, together with the commencement of essential controls and adjustments in order to permit inventions to be introduced into practice;
- issuing exclusive rights for inventions, practical models, trade marks, and patterns; settling thorny issues concerning inventions; giving information about patents; and undertaking international cooperation.

The standardization and definition of quality: The chief activity concerning the standards, measures, and quality of products in 1985 will involve:

- products manufactured as part of government orders or operational programs;
- materials covered by supply guarantees and typical spare parts and components for machinery that is essential for maintaining and servicing production assets;
- products designed to protect health and work security;
- protection of the environment and of the water-based economy;

The plan foresees the working out of 1,685 Polish standards. Of these, 1,031 apply to technical and operational requirements which are a basis on which to assess the quality of products.

About 25,000 products, including all products manufactured as part of government orders or operational programs, will be subject to mandatory descriptions of quality written on quality labels. About 200 kinds of measuring apparatuses are currently being installed in order to check quality.

This is a fulfillment of the postulates expressed during the consultations on the 1985 plan. The problem of product quality was one of the liveliest topics during these consultations. The unfavorable economic conditions for improving quality and the weakness of the economic instruments in this sphere were pointed out. There were numerous demands for more energetic government activity in order to improve the quality of legal-organizational affairs, including administrative solutions.

Organizational-legal changes are foreseen in 1985, designed to increase the role and importance of state regulations governing standards and quality, and increase the range of goods and services subject to state quality controls in line with the development of the technical research and control base.

V. The Division of the National Income

Realizing the goals of the plan will require the following shape of the national income for distribution:

	1985 percentage	percentage compared to 1984
national income for distribution	100	103-103.5
total consumption fund	78.2	103-103.4
out of this:		
consumption from personal income	66.7	103-103.5
remaining consumption	11.5	103.2
accumulation fund	21.8	103.7
including:		
net investment outlay for fixed assets	18.4	100.4
growth of reserves	3.4	125

This distribution foresees a growth in private consumption equal to the growth in the total national income, a stabilization of investments outlay, and an increase in stocks and reserves meant to guarantee economic equilibrium.

1. Investments

The size of investment outlay contained in the 1985 Central Plan has been altered from the figure contained in the draft plan. Apart from a more accurate view of the 1984 investments situation and a further envisaged excess of outlay compared to the forecast contained in the draft plan, it is the results of consultations that have considerably influenced the level of investments. During these consultations, a reduction in spending on building and refitting projects by Z100 billion less than in 1984 was generally regarded as unviable. This was meant to apply to areas outside the production sphere; in other words, housing construction, medical care, and education, where this kind of work dominates.

Proposed reductions in investment outlay in industry, especially financial cuts by enterprises, were also regarded as unfeasible. The rate of depreciation of production assets was not the only reason why the above idea was not approved, but also the fact that it is necessary to accelerate investments in order to boost market production and exports.

Investment outlay in the socialized economy, which will generally remain at its 1984 level, will be subject to certain structural changes.

It is estimated that investment outlay in the private economy will also be at the 1984 level.

2. The Population's Monetary Income

While working out the central plan, it was regarded as essential to slow inflation. This would be impossible with the population having excess income, including wages, and with a lack of close correlation between wage increases on the one hand, and increases in production and productivity, on the other.

The system of deductions payable to the State Vocational Activization Fund remains the basic instrument of controlling the amount of funds available for the payment of wages. The proposal to change the so-called deductions-free threshold for this fund to 9.45 percent for every 1 percent of growth in production was not approved during consultations with the trade unions. That is why the 1985 plan will retain this threshold at its 1984 level; in other words, 0.5 percent, and only the preferential coefficient will be slightly reduced (from 0.65 to 0.60 percent.)

Wage increases: It is assumed that economic units that achieve the production results foreseen in the 1985 plan will have enough funds for wage purposes at their disposal to enable them to increase average nominal wages and maintain real wages at their 1984 level. Most of the consultations on the draft plan were in favor of such a solution. Preference was expressed toward that variant of the plan which foresees a leveling off of the growth of real wages and prices and which allocates the entire increased supply of goods and services for the strengthening of market equilibrium.

Social benefits: Expenditure on financial social benefits in 1985 will amount to 2986 billion or 11.8 percent more than in 1984.

Old-age and disability pensions constitute over 70 percent of this expenditure. In 1985, payments of these pensions will amount to about 2721 billion or 10.2 percent more than this year. This is because of the greater number of pensioners, the higher level of newly-granted pensions, and the envisaged rise in average pensions in line with the average increase in the retail prices of goods and services obtained by the population. This is a sign of determination not to allow the standard of living of those in the worst material situation to decline, and is at the same time a fulfillment of numerous demands voiced during consultations on the draft plan.

3. Supplies to the Market

A growth in the amount of goods and services of 4-4.4 percent is the most important factor for stabilizing the population's purchasing power expressed in the 1985 plan. Numerous points of the plan aimed at enriching the variety of market goods and adapting the structure of supplies to meet the demand will serve to strengthen equilibrium in individual market sectors.

Food supplies: Supplies of food items in 1985 will be 1.8-2.1 percent higher than this year. The proposed 1 percent increase in these supplies was regarded as unsatisfactory during the social consultations. Many participants in the consultations pointed out that the above increase would be sufficient if the 1985 population growth rate amounted to about 0.8 percent. Taking the results of the consultations into account, efforts have been undertaken to increase supplies of food articles both by increasing imports thereof to a greater level than planned, and by increasing domestic production.

Next year, meat supplies will increase by 1.1 percent. Supplies of dairy produce will conform to the current demand for them. Increasing the variety and quality of dairy produce as an essential condition for increased consumption will remain a problem. The draft 1985 plan foresees a 11.6 percent rise in the supply of cottage cheese, a 2.1 percent rise in the supply of hard cheeses, and a 8.3 percent rise in the supply of milk.

The production tasks adopted in the plan permit a 9 percent rise in the supply of animal fats in 1985, and a 11 percent rise in the supply of vegetable fats. In view of the present satisfactory level of consumption, it will remain a problem to adapt supplies to meet demand.

Supplies of nonfood articles: Supplies of these in 1985 will rise from 5.8 to 6.1 percent.

Supplying the market with electrical appliances is one of the greatest market problems. Despite the increased supplies of these goods in 1983 and 1984, the market situation has not improved tangibly. Even though the level of supplies of some of these goods is greater than ever before, current stocks are immediately bought up, given the current level of wages and prices. Supplies of household appliances such as washing machines, spin dryers, sewing machines, refrigerators, and freezers should improve in 1985. There will also be greater supplies of both color and black-and-white television sets, tape recorders, and hi-fi sets. The supplies of these products will either exceed the precrisis level or come close to it. The production of some goods, the shortage of which is felt particularly keenly and is often the subject of much social criticism, has been included in the system of government orders. This applies to light bulbs, electric irons, and vacuum cleaners, among other things. Nevertheless, given the population's current financial resources, the steady increase in the number of households, and the still unsatisfied needs of previous years, the supplies of these products will still not be enough to balance out the market.

The supply of goods produced by light industry has been gradually improving since 1983, thanks to special undertakings. Given the current raw materials and production difficulties, however, it will not be possible to achieve the former level of supplies in the near future. This applies especially to cotton and cotton-like fabrics, as well as bed linen, table linen, and towels.

The clothing situation is considerably more favorable than the situation with textiles. Per capita supplies of some clothing items will exceed the level that existed at the end of the seventies. This applies especially to overcoats, underwear, and hosiery. The 1985 Central Plan foresees a growth in the supplies of the above goods by several percent.

Calculated in per capita terms, supplies of footwear in 1985 will be 3.2 compared to 2.7 pairs in 1980. This means a satisfaction of needs as far as quantity is concerned, and permits a greater quality and durability of footwear, and more attractive fashions.

The 1985 plan foresees a 12 percent increase in the supply of furniture, calculated in terms of current prices. This will still not satisfy the demand. The involvement of the production of practically all furniture components in the government orders system will begin to ease the acute shortage of furniture in Poland.

Supplies of washing powder and soap are satisfactory. Next year foresees the inclusion of shampoos and toothpaste in government orders, so that enough may be produced to satisfy demand. Supply and demand will also be balanced out concerning a range of cosmetics and perfumes, of which supplies in 1985 will be almost 19 percent greater.

Services: A 5.6 percent growth in public services subsidized by socialized economy units is envisaged. The network of service centers will rise above the 1984 level and will total about 67,500.

The development of services for the population depends primarily on the initiatives of local authorities and on their success in finding premises, tapping local sources of materials, and determining which service activity is most needed in a given area.

4. Changes to Wholesale and Retail Prices

It is envisaged that, as a result of decisions to be made as of 1 January 1985, retail prices will rise by a total of about 9 percent during the year. This figure will be brought about both by the differences in the supply of individual groups of products, and by the differences in price rises between individual products.

In addition, the general price rises in 1985 will be affected by 1984 price rises, whose effects will still be felt next year. The influence of these on the general level of prices in 1985 is estimated at 3-4 percent.

During the social consultations on the draft 1985 plan, the proposal to raise retail prices next year was not questioned because of the accompanying proposal to maintain the real value of wages and pensions at this year's level. However, it was pointed out that a higher rise in retail prices than planned cannot be permitted, especially if such a rise would cause a drop in the real value of wages and pensions. In addition, keeping retail price rises to the level foreseen in the plan depends on not exceeding the planned growth in the population's income.

4.1 Changes to the Official Prices of Basic Materials

Reasons for growth: There are two chief reasons why it is necessary to increase the wholesale prices of basic materials, energy charges, and transportation fares by another stage in 1985:

-- concerning imported basic materials, because the prices thereof in the countries of origin have increased;

-- concerning domestic materials, because of the unprofitability of producing them, especially in extracting pit coal.

Prices of imported raw materials: The trade prices of some imported materials are higher than the prices in the countries of origin partly because of changes in the exchange rate. The long-term maintenance of domestic procurement prices of imported materials at a lower level than their trade price brings serious and negative consequences. It distorts the cost analysis and hence the profitability figures for producing and exporting all the commodities which these imported raw materials are used to produce.

Prices of raw materials had transportation fares: As far as domestic raw materials, energy charges, and transportation fares are concerned, the level of these depends to a major extent on the price of coal, which for many years has been less than the cost of extracting it. Bearing in mind the effects of coal price rises on the general level of costs in the national economy, it has been decided to adjust the price of coal in several stages over a longer period. The rise in the price of coal in 1985 would take place with the anticipation of further price rises in subsequent years. This need also stems from the expected increases in coal extraction costs in the coming years (also caused by the increasingly difficult geological conditions behind the search for new deposits).

Raising the price of coal also requires raising the price of other energy sources. However, the price of natural gas and heating oil should be raised higher than coal in order to straighten out the currently improper price relations between these energy sources. Because rises in the price of coal influence other prices, it will also be necessary to raise the price of electric rail travel and metal products. Concerning these, prices rises are also dictated by a rise in the price of iron ore.

Prices and costs in the processing industries: As a result of the rise in the prices of basic materials and tariffs, and in connection with the introduction of the second rate of higher depreciation costs as of 1 January 1985 because of the revaluation of fixed assets, there will be an increase in the costs and prices of products manufactured by the processing industries.

The rise in the prices of industrial market articles will of course be less than that of individual materials because the costs of materials are only part of the total costs of producing the finished product. The degree to which the prices of individual products rise will depend on the costs of the raw materials involved.

4.2 Changes in the Retail Prices of Goods and Services Obtained by the Population

Food items: The retail price rises proposed to take place in 1985 include basic food items. The lower margin for these changes is set by: First, the effects of the procurement prices of agricultural produce introduced on 1 July 1984 because of the increased costs of agricultural production resources, which are causing food production costs to rise by Z44 million; second a Z20 billion rise in the costs of processing which will occur because of the rise in the wholesale prices of basic materials and energy prices on 1 January 1985; and third, the results of the need to raise trade profit margins by about Z32 billion because at present they do not encourage development and modernization of trade. Raising food prices by this amount will merely permit food subsidies from the state budget to be maintained at their present level.

Fuel and energy: Another price change proposed in 1985 is a rise in the retail prices of fuel coal, electricity, natural gas, and central heating, which has been delayed for 2 years. The last price change involving these commodities was in 1982, when the scale thereof was reduced in accordance with the results of social consultations, but another price increase was announced for the following year. However, this price increase did not occur, either in 1983 or in 1984, and now we are faced with a situation where the gap between constantly increasing production costs and wholesale prices on the one hand, and retail prices of fuel and energy on the other, is drastically widening. This is leading to an irrational level of subsidies out of the state budget and to a weakening of the economic stimuli necessary to reduce fuel and energy consumption. Because of the increased costs of these commodities, the sale of coal is also becoming economically unviable; this demands an increase in the profit margin incorporated in the retail price of coal.

5. Social Services

It is foreseen that 1985 expenditure out of the state budget on social services will be about 25.3 percent of total budgetary expenditure. As far as the social services sphere is concerned, the 1985 Central Plan conforms to the principles of the National Socioeconomic Plan, which gives priority to health protection, and then to education and culture.

5.1 Health Protection and Social Welfare

Basic tasks: The basic goal of health protection and social welfare in 1985 will be to achieve an improvement in selected priority spheres, which include:

- a further improvement in the functioning of basic health care, especially at residences;
- improved health care for mothers and children;
- coordinating and improving the efficiency of social welfare, with special attention to invalids and incapacitated persons.

Cadres: The number of Cadres in 1985 should be as follows:

- | | |
|--|-------|
| 1. The number of doctors (in thousands) | 74.6 |
| the number thereof per 10,000 people | 20 |
| 2. The number of dentists (in thousands) | 18.1 |
| the number thereof per 10,000 people | 4.8 |
| 3. The number of nurses (in thousands) | 184.2 |
| the number thereof per 10,000 people | 49.3 |

The material base: The number of beds in general hospitals and clinics will rise by 4,100. There will also be 3,300 new places in day nurseries and 1,900 new places in welfare homes.

Because of the unsatisfactory number of places in welfare homes, the range of benefits payable by social welfare schemes will be increased. The size of the financial benefits payable for social welfare will guarantee the satisfaction of needs in this sphere.

Supplies of pharmaceuticals, sanitary articles, and medical equipment have been incorporated in government programs.

5.2 Education

The material base: As a result of decisions made by the people's councils in recent years, it is foreseen that the number of places in elementary schools in 1985 will be 173,200, 3,800 more than in 1984.

In order to alleviate the difficult situation with the material base of education and stop the deterioration of education premises, the Government Presidium's directive No 2 of 9 January 1984 concerning the performance of priority 1983-85 National Socio-economic Plan tasks in the development of the material base of education will be implemented in 1985. This will also encourage the building of elementary schools and kindergartens. In 1985-87 some of the new elementary schools under construction will be incorporated in government orders. The construction of 29 such schools has been included in the 1985 list of government orders.

In reply to the demands voiced during the consultations on the 1985 plan concerning a possible faster construction of schools, the central plan foresees an investments reserve for this purpose amounting to 21 billion.

About 1.4 million children will be receiving nursery education in 1985, in other words 50.7 percent of all children between the ages of 3 and 6. It is planned to complete about 280 day nurseries.

School-completers: Some 464,200 children will complete elementary school in 1985, over 18,000 more than in 1984. It is reckoned that 97.5 percent of these will continue their education either in schools of general education or in vocational training schools.

The current and foreseen labor market indicates that there will still be a demand for qualified workers, at a time when the economy will be relatively full of cadres with secondary and higher education. That is why the network of vocational training schools which prepare qualified workers will be extended next year.

5.3. Higher Education

The 1985 plan envisages that some 50,000 students will be admitted to full-time studies.

The structure of admissions to studies: Some 12,000 working persons will be admitted to first-year studies, which are designed mainly to help active teachers, administrative workers in elementary grades, farmers, zootechnicians, prominent workers, and technicians with secondary training in construction and mechanical and electrical engineering.

5.4. Culture and Art

Lines of action: In 1985 organizational action will be taken to improve the exploitation of the potential facilities possessed by cultural units and centers, especially by theaters, musical institutions, public libraries, museums, and artistic exhibitions.

Stimulating the programmatic activities of houses of culture, especially of cultural units active in plants, will be an important task in 1985. The law on propagating culture and on the rights and duties of cultural workers, which was adopted last April, has created conditions for this work.

It is expected that the total publishing of books and brochures in 1985 will increase 7.5-13.5 percent and will amount to 215-227 million copies, which means that 5.7-6.1 books will be published per capita. This is a record compared with about 147 million books published in 1980 and with much lower amounts published in the seventies.

5.5. Tourism and Recreation

The base: In 1985 the tourist and vacation facilities will increase to 826,000-830,000 beds compared with 824,000 beds in 1984.

The scale and structure of needs: The number of persons on organized vacations will increase by 100,000 compared with 1984 and will amount to about 3.9 million persons. We have noticed that our people show increasing interest in individual vacations, because of the increased costs of organized vacations; considerations such as the wish to spend vacations in less frequented places and to do as one pleases; and the increasing possibilities for subsidies from the plant social fund for such vacations.

The lack of the necessary supplies of tourist equipment is an obstacle to individual vacations and specialized tourism, which is most valuable for health and educational reasons.

The sources of financing: As in previous years, in 1985 the plant social funds will be the main source of subsidizing the vacations of the working people and their relatives and of all kinds of pensioners. Pensioners who have lost contact with the parent plants for various reasons will be subsidized from the state budget to enjoy 1985 vacations under the auspices of the workers vacation fund. These subsidies will cover about 100,000 pensioners and will be determined by the amount of individual pensions.

We expect that tourist exchanges with the socialist countries, mainly organized exchanges, will increase in 1985 and that the summer vacation exchanges of young people from the GDR and the CSSR will continue and may even be expanded.

5.6. Welfare Activities of Production Plants

These activities are a crucial part of the state's social policy. The economic reform has changed the principles in line with which funds are produced for welfare purposes. Production plants are independent in implementing the policy of meeting the welfare needs of the work forces and in increasing their social funds from profits in excess of the generally accepted allowances, which are charged to costs. In view of the demands put forward during the consultations on the annual plan, especially those put forward by trade union federations, the government continues to consider the possibility of raising the amount of basic allowances, departing from the present percentage rate of allowances calculated in terms of the lowest wages and adopting allowances calculated as lump sums, which can be raised if possible.

This should enable us to more fully cater to the true needs of the work forces -- including the needs of persons starting their vocational and family lives and all kinds of pensioners -- and to support, aside from vacations, such interests as culture, tourist excursions, cultivation of private plots, and sports.

5.7. Improving Working Conditions

In order to improve working conditions, various economic, legal, and social solutions are being implemented. Those enterprises which are improving working conditions for their work forces have been granted income tax concessions and the possibility of receiving credits for improvements. Supplies of protective clothing and equipment to work forces have been given priority status in the form of government orders.

It is planned to continue in 1985 all the stimuli which lead to an improvement in work security and hygiene. It will still be possible to claim back from the fiscal authorities 30 percent of the cost of investments which reduce danger at work, and 20 percent of the costs of domestic inventions and research work leading to better work security and hygiene.

The income tax concessions connected with increased production of specified equipment and protective clothing will be maintained.

It is planned to improve the quantity and quality of basic articles of protective clothing.

More stringent controls will be carried out to make sure that standards are adhered to concerning materials used in the manufacture of protective clothing and footwear.

ç. Housing Construction

The construction of a total of 190,000 apartments is planned for 1985. Of these:

- Some 130,000 apartments will be built by socialized construction;
- Some 60,000 will be built privately.

This is in accordance with the relevant part of the National Socioeconomic Plan (which foresaw the construction of 180-210,000 apartments), and constitutes a fulfillment of the first housing construction variant contained in the draft 1985 plan. Although this variant is not socially satisfactory, nevertheless it was regarded as viable during the social consultations, on condition that investment outlay on its performance is increased. This postulate has been taken into account, and outlay for housing construction has been raised to 2415 billion in the 1985 plan, compared to the 2366 billion proposed in the draft plan. As far as socialized construction is concerned, it will involve the construction of a greater number of factories. In view of unfulfilled accommodation needs, it is essential to mobilize all available reserves in order to increase the quantity of completed apartments.

Paths of action: For the above purpose, efforts will be undertaken in order to:

- develop private housing construction involving the population's own resources, and give preference with supplies of materials and credits to some social groups, such as teams of workers and young people in cities, and young families;
- help factories to construct multifamily factory housing accommodation and help factory employees to build their own housing by implementing Council of Ministers resolution number 110 from 1983 concerning a series of concessions which alleviate the housing needs of work forces;
- develop the production of building materials using local raw materials and waste products.

Most of all, however, the justified social criticism of mismanagement in this field has been taken into account, and the plan contains undertakings designed to curb rising costs in housing construction, adhere to cost estimates and consumption norms of materials, achieve savings of these materials, and improve organization in construction.

7. Environmental Protection

The ban on building or extending factories harmful to the environment in 27 areas where there is ecological danger will be continued in 1985.

Tax concessions will be granted to enterprises which undertake investment activity designed to protect the environment, in order to encourage the construction of premises and equipment serving this purpose. It is estimated that outlay on environmental protection in 1985 will be about 245 billion, or 5 percent more than in 1984.

About 60 percent of this outlay will be allocated for the protection of waters. It is estimated that over 50 percent of environmental outlay will be paid by enterprises.

V. Instruments for guiding the Implementation of the Plan.

The instruments for implementing the 1985 plan combine the need for stable systemic solutions with the need to adapt to altered management conditions.

A basic instrument continues to be the guaranteed supplies of production resources. Guaranteed supplies have been assured concerning the production of goods contained in government orders, goods connected with the country's defense and security, and processed goods destined for export to the second area of payments. The material incentives stemming from a reduced consumption of selected materials, the income tax concessions stemming from such a reduced consumption, and organizational undertakings designed to reduce individual consumption of fuel, energy, and materials will be continued in 1985. The centralized funds involving savings and the recycling of by-products and used automobile tires will continue to exist in 1985.

In order to rationalize and reduce expenditures, the consumption of some materials used to produce certain goods will be curbed or banned. Technologies that use excessive amounts of energy and materials will also be banned.

As for investment and construction, in 1985 a number of solutions will be used in order to sort out the investment program, to prevent a decentralization of investments, and to coordinate the demand for investments with the economy's real capacities. This will be achieved mainly through loan and fiscal policy.

It is expected that investment loans will in principle be granted for reconstructing and modernizing investments, the implementation of which takes no more than 2 years. In addition, the share of construction work must not amount to more than 20 percent of the overall estimate of costs, and the amount of the loan must not exceed 30 percent of the value of the new machines and equipment. The length of the loan must not exceed 60 months. These conditions may be relaxed in the case of high efficiency investments connected with export, consumer goods, and food production.

Before plants can obtain loans for new investments they must have accumulated development funds amounting to at least 50 percent of the estimated value of new investments.

To ensure that investment funds are used for modernization purposes, deposits will be introduced on investments that involve buildings and begin as of 1 January 1985.

Seeking to create the necessary conditions for improving the effectiveness and economic management and structural changes, we have made it possible for enterprises to avail themselves of concessions, including exemptions, concerning the amortization payments into the central budget. These concessions are linked to the implementation of investments involving reconstruction and modernization.

Prices and taxation are the basic means by which enterprises can be controlled.

As for prices, we will continue the process of curbing increases in prices and of strengthening them as a yardstick of the cost effectiveness analysis, which exerts pressure in favor of improvements in the effectiveness of economic management and prevents enterprises from making excessive profits.

We will continue to follow the policy of adjusting selling prices to the level of transaction prices. Budget subsidies will be reduced or, if necessary, completely abandoned, which should have a favorable impact on the effectiveness of economic management in enterprises.

The government will continue to ban price hikes and to employ other means to check unjustified hikes. The results of increases in the official prices for the basic raw and other materials and for energy and freight will not be fully reflected in the prices for the goods and services produced from these raw and other materials.

Turnover taxation will continue to be used as an instrument of restoring the market balance. The rates of this taxation and the methods by which it is calculated will seek to curb increases in the producers' cash incomes occasioned by price hikes.

As for income taxation, seeking to improve the economic balance, especially in investments, and to tighten wages by relating them more closely to work productivity and quality, the Council of Ministers decided to submit to the Sejm that income taxation for enterprises should be raised to 65 percent.

The fiscal-loan system will be employed in such a way as to counter inflation and promote the balance of the fiscal economy. The banks will continue to follow the policy of tight money, which means that availability of loans depends on the ability to repay them.

The conditions for granting loans and the share of loans in financing current and development needs of enterprises will differ, depending on the economic effectiveness of the individual projects. The loan policy followed by the bank will seek to raise the effectiveness of economic management, prevent the use of excessive funds for consumption, and counter the expansion of the investment program and the implementation of the nonpriority investments of lower effectiveness.

As for foreign trade, we will continue to use the present instruments by which the export of goods and services is stimulated. However, the development of the export of processed goods has made it necessary to strengthen the incentives by which export is stimulated. In this connection we plan:

- to expand the range of income taxation concessions due to increases in export production;

- to increase opportunities for proexport investments financed also from the waived payments to the amortization fund, from income tax concessions, and from bank loans;

- to expand the range of exemptions from payments into the State Vocational Activation Fund in order to balance the greater labor-intensiveness of export production and to increase export incentives.

As for technological and quality progress, the relevant activities stipulated by the plan are aimed at improvements of production elements and at improvements in the quality of products by various means, including research into the quality of products and preventing building trades from charging the cost of guarantee work to the original price of construction.

The financial sanctions connected with improper quality will be made stringent and the category of justified costs brought about by the discovery of faults in goods and services by the consumer will be broadened.

Producers will continue to classify products according to the state quality marks "Q" and "1," and at the same time the quality marks given to products in previous years which did not meet savings criteria will be reviewed.

As far as funds for wages are concerned, the basic instrument of control remains the system of deductions in aid of the State Vocational Activization Fund.

It is planned to:

-- maintain the deductions-free threshold to this fund at the previous level of 0.5 percent for every 1 percent growth in production, and to lower the preferential coefficient from 0.65 to 0.6 percent;

-- broaden the regulations governing deductions to the State Vocational Activization Fund in order to better adapt the regulations to the production growth possibilities in some areas of the economy, and thus eliminate unknown quantities when levying these deductions.

VII. The Performance of the Tasks of the National Socioeconomic Plan

The produced national income: The complete performance of the principles of the draft 1985 central plan will permit the performance, and even the overfulfillment, of most of the complex tasks contained in the 1983-85 National Socioeconomic Plan. Exceeding the national income growth rate envisaged in the above 3-year plan is particularly important if we are to overcome the effects of the crisis and develop the economy in future. According to the National Socioeconomic Plan, the produced national income in 1985 should be 10-11.7 percent greater than in 1982; the 1985 Central Annual Plan predicts that it will be 15.3-15.9 percent greater than in 1982.

Industrial output: An overfulfillment of industrial production tasks has served to raise the national income. According to the National Socioeconomic Plan, industrial output in 1985 was meant to increase by 14.6-16.6 percent compared to 1982, but the 1985 Central Annual Plan envisages that it will be 15.8-16.4 percent greater than the 1982 output.

It should be noted that one may expect a complete accomplishment of National Socioeconomic Plan tasks in eight basic branches of industry; and some branches, for example minerals, metallurgy, timber and paper, drugs, and food industries, will exceed the tasks of the National Socioeconomic Plan by 3-4 percent. The structure of industrial production is improving. Production for the home market and for exports is rising faster than industrial production in general although it is still not reaching the level adopted in the National Socioeconomic Plan.

Agriculture: The agricultural results have also served to raise the national income. Taking into account the volume of agricultural output from 1983 to 1985, it is assumed that the agricultural tasks laid down in the National Socioeconomic Plan will be exceeded by 2-2.7 percent, brought on above all by the favorable results in plant production (an overfulfillment of tasks by 3.4-4.3 percent). The complete accomplishment of the animal production tasks deserves mention. They have been overfulfilled slightly.

Housing construction: One may say that the National Socioeconomic Plan's housing construction tasks will be accomplished. The plan foresaw the construction of 530,000-590,000 apartments from 1982 to 1985, and about 580,000 will have been built. The lower limit of the housing construction task will have been exceeded by 9.4 percent.

Foreign trade: Trade turnover with the first area of payments will be exceeded by 3.5 percent. But the foreign trade tasks with the second area of payments will not be fulfilled. It is estimated that turnover with the second area of payments will be 12 percent short of the tasks planned. This failure to perform the tasks of the National Socioeconomic Plan concerning trade with the second area of payments applies to processed goods, especially electrical appliances.

Effectiveness of economic management: Exceeding the rate of increasing the national income will also be possible -- aside from the quantitative increases in production sectors -- because of reductions in the energy and materials costs involved in producing a unit of national income and due to increased productivity. The main annual reduction in the level or materials-intensiveness of industrial production will amount to 2-2.5 percent instead of 1.9-2.2 percent stipulated by the national socioeconomic plan. The mean annual reduction in the energy-intensiveness of industry will amount to 2.5 percent instead of 2.5-3 percent.

Distributed national income: This income will increase 13.6-14.2 percent in 1985 compared with 1982, whereas the National Socioeconomic Plan stipulated an increase of 8.5-10.1 percent.

It is estimated that as a result of national income increases in excess of the plan, consumption and accumulation will also increase in relation to the targets of the National Socioeconomic Plan. In line with the directives of the National socioeconomic Plan, an additional volume of consumption has been earmarked primarily for raising the population's consumption paid for by personal incomes. Most of the increase in national income accruing from investments in excess of the plan has been earmarked for nonproduction investments, mainly housing construction.

The fiscal-market balance: Although the consumption stipulated by the National Socioeconomic Plan will be exceeded, the tasks of strengthening the fiscal-market balance will not be fully implemented. The main reason for this is the much more rapid increase in the population's cash incomes, with which the flow of goods to the marketplace cannot keep pace. In 1983-85 these incomes will have increased 75.7 percent compared with the 47.5 percent stipulated by the National Socioeconomic Plan. In this situation the increase in retail prices will amount to about 60 percent compared with the 45 percent stipulated by the National Socioeconomic Plan.

Investment outlays: Investments in the national economy will be exceeded by about 18 percent in 3 years compared with the stipulations of the National Socioeconomic Plan and taking into account the price conditions of the 1985 Central Annual Plan.

The investments of the nonsocialized economy will be exceeded by about 18.5 percent. Failure to implement investment outlays concerns central investments and will amount to about 16 percent.

The net share of investments in national income will amount to 18.3-18.4 percent.

In order to sort out investment activities, various economic-fiscal mechanisms will be introduced in 1985 to help curb the flow of those funds to the enterprises that could be used for investments.

MANESCU, BOBU, OTHERS PAY RESPECTS TO VOITEC

AU062058 Bucharest AGERPRES in English 2025 GMT 6 Dec 84

[Text] Bucharest AGERPRES 6/12/1984 -- On December 6, in the afternoon, the coffin carrying the lifeless body of Stefan Voitec, member of the Executive Political Committee of the CC of the RCP, vice-president of the State Council of Romania, was placed in the Hall of the Palace of the Grand National Assembly.

A floral wreath was laid at the bier on behalf of Nicolae Ceausescu, general secretary of the RCP, president of Romania. Floral wreaths were laid also on behalf of the Grand National Assembly, the State Council, the government, central state institutions, research and education units, mass and public organizations.

Manea Manescu, Emil Bobu, Gheorghe Pana, Nicolae Giosan, Suzana Gadea, members of the party and state commission organizing the funeral, participated.

GRAND NATIONAL ASSEMBLY SCHEDULED FOR 12 DEC

AU061859 Bucharest AGERPRES in English 1748 GMT 6 Dec 84

[Text] Bucharest AGERPRES 6/12/1984 -- The Grand National Assembly of Romania is convened in its eleventh session of the current legislature on December 12, 1984, under a State Council decree signed by President Nicolae Ceausescu. Under a presidential decree too, the Legislative Chamber of the People's Councils is convened on December 11, 1984.

COMMODITY PROTOCOL SIGNED WITH YUGOSLAVIA

LD062048 Belgrade TANJUG in English 1627 GMT 6 Dec 84

[Text] Bucharest, December 6 (TANJUG) -- A protocol on commodity and services exchanges for 1985 was signed in Bucharest today, Thursday, between Yugoslavia and Romania. The value of trade in both directions is planned at 480 million dollars, or 11 per cent more than the planned trade volume between the two countries for 1984. The protocol was signed by Yugoslav Assistant Secretary for Foreign Trade Metodi Smilevski and Romanian Assistant Foreign Trade Minister Paula Prioteasa. Smilevski also had a meeting with First Vice Premier of Romanian Gheorghe Oprea. The ensuing talk focused on further promotion of bilateral cooperation.

OPREA RECEIVES PRC TRADE MINISTER LIU YI

AU052029 Bucharest AGERPRES in English 1729 GMT 5 Dec 84

[Text] Bucharest AGERPRES 5/12/1984 -- Romanian First Deputy Prime Minister Gheorghe Oprea received on December 5 Liu Yi, minister of trade of the People's Republic of China, who headed a delegation on a Romanian visit. On the occasion, they emphasized the good relations of friendship and collaboration between Romania and the People's Republic of China. Discussed were also questions of further development of the Romanian-Chinese relations of collaboration, of increasing the bilateral goods exchanges between the two countries. The interview was attended by Alexandrina Gainuse, deputy prime minister, and Ana Muresan, minister of home trade. The same day, the relevant ministers signed a protocol on collaboration between the ministries of home trade of the two countries for 1985, which stipulates consumer goods exchanges and other forms of collaboration.

NICU CEAUSEASCU ADDRESSES BALKAN YOUTH MEETING

AU052050 Bucharest AGERPRES in English 1920 GMT 5 Dec 84

[Text] Bucharest AGERPRES 5/12/84 -- The Balkan youth and students' meeting, organized by the Union of Communist Youth [UCY], the Union of Communist Students' Association of Romania, by collaboration with the Romanian National Committee on the International Youth Year [IYY] started in Bucharest, on December 5, 1984.

The meeting is attended by representatives of the national committees on the IYY, of youth and student organizations and state bodies with responsibilities in youth affairs of Bulgaria, Yugoslavia, Greece and Romania.

The meeting which is part of the preparations for the observance of 1985 of the International Youth Year under the motto "Participation, development, peace", is an opportunity for exchanges of views, information and experiences, apt to lead to the seeking out of new ways and means contributing to an enhanced participation of the Balkan youth and students in national development, in harmony with the realities, priorities and objective requirements in every country, in the peoples' efforts for the transformation of the region into a zone of peace, good neighbourliness, understanding and collaboration, free of nuclear weapons.

The inaugural address to the meeting was delivered by Nicu Ceauseascu, alternate member of the Executive Political Committee of the CC of the RCP, first secretary of the CC of the UCY, minister for youth affairs, chairman of the Romanian National Committee on the International Youth Year. Referring in his address to the wide meaning of the international youth year, whose observance coincides with the anniversary of four decades since the foundation of the United Nations, the speaker stressed the important mission the young generation, together with the peoples in the Balkan states and the broad forces of progress and renewal had in the process of economic and social development.

Likewise, the speaker enlarged upon the preoccupations of the young generation in Romania, their active participation in the country's multilateral development, in the building of a climate of detente, security and peace in the Balkans and in Europe, in the establishment of a new international economic order.

Stress was laid on the fact that the preparations for an observance of the International Youth Year offered important possibilities for new, efficient forms of [word indistinct] action of the young generation in the Balkan countries in attaining these fundamental desiderata of the contemporary epoch. The speaker also presented the multiple actions included in the plan of the Romanian National Committee on the IYY, devoted by their content and themes to the observance of this prestigious event which is meant to promote the specific interests and aspirations of the young people everywhere, to contribute to an ever more powerful mobilization of the young generation in the struggle for moulding the future, for building a better and more just world on our planet.

The following themes will be debated during the three-day meeting: The youth -- an active factor in the struggle for the Balkan countries' economic and social development, the young generation's contribution to the transformation of the Balkans into a zone of peace, understanding and cooperation, free of nuclear weapons, ways and means to intensify the cooperation among the youth and students' organizations and bodies in the Balkans in the perspective of preparing and observing the International Youth Year.

ANTISTATE CONSPIRACY HEARINGS RESUME 6 DECEMBER

LD061501 Belgrade TANJUG in English 1336 GMT 6 Dec 84

[Text] Belgrade, December 6 (TANJUG) -- A trial of six persons on charges of conspiring for hostile anti-state activity was resumed at the Belgrade District Court today. The trial was adjourned on November 16 to allow the counsel of the sixth defendant, Milan Nikolic (37), to prepare defence for the extended part of the indictment relating to him.

According to the indictment, Nikolic was in possession of two texts which included false anti-Yugoslav allegations, and which he intended to distribute. In one of the texts, Nikolic accused the prewar and wartime leadership of the Communist Party of Yugoslavia, including Josip Broz Tito, as "Stalinist". He also claimed that self-management introduced to Yugoslavia by a law in 1950, was "only promised" to the workers. The other text, the indictment alleged, was a typical example of Albanian anti-Yugoslav propaganda. It called for the establishment in Yugoslavia of an Albanian republic which would include parts of two Yugoslav republics, Macedonia and Montenegro, in addition to Yugoslavia's Province of Kosovo. The text was published in London's NEW LEFT REVIEW magazine.

Nikolic told the court that he had not intended to distribute the texts. The first text, he claimed, was his [word indistinct] M.A. degree at Brandeis University of Boston and was intended for his adviser. According to Nikolic's explanation, the text on Kosovo was sent to him by the editorial board of the London magazine which asked for his review of it. Today, he claimed that he had never written such a review. The defendant made many remarks to the Serbo-Croatian translation of the two texts from the English, as he considered it incorrect.

Nikolic is on trial together with Vladimir Mihanovic (38), Miodrag Milic (55), Dragomir Olujic (35), Gordan Jovanovic (23) and Pavlusko Imsirovic (36). The trial continues with witnesses' statements.

PRESIDENCY, LCY PRESIDUM DISCUSS FOREIGN AFFAIRS

LD062038 Belgrade TANJUG Domestic Service in Serbo-Croatian 1413 GMT 6 Dec 84

[Text] Belgrade, 6 Dec. (TANJUG) -- A joint session of the SFRY Presidency and the LCY Central Committee Presidium was held in Belgrade yesterday with Ali Sukrija in the chair. Other top-ranking officials of the federation also took part in the work of the session. The session discussed Yugoslavia's foreign political activity in present conditions and world trends. The introductory report was submitted by Raif Dizdarevic, federal secretary for foreign affairs.

The Presidency and the Presidium stressed that Yugoslavia, consistent with its independent and nonaligned foreign policy as its lasting orientation built under Tito's leadership, will continue to pursue an active policy of peace and struggle for equitable relations among countries and peoples and extend its support to the struggle for independence and emancipation of all people in the world. Therefore, the policy of nonalignment, which represents an irreplaceable and comprehensive approach to international relations in the world today, is the source of Yugoslavia's entire activity in the international sphere. Our country firmly follows and develops this orientation because this is the vital interest of the SFRY, the community of Yugoslav nations and nationalities. In this way we are making our full contribution to all activities of the Nonaligned Movement.

The Presidency and the Presidium pointed out the increasingly difficult position of developing countries, their economic and technological lagging and the negative effect of the growing burden of debts. Today this is not only an economic but also a political issue of crucial significance for the entire future development of the world. The need for international solidarity in resolving the hunger problem in Africa received particular emphasis.

The session pointed out the causes and consequences of the political, economic, and social crisis of the present international relations and noted that the historical processes of emancipation inevitably placed on the agenda of the international community the need to change the existing unequal political and economic relations. It is in this, it was stated, that the essence of the struggle for a new international economic order lies. The factors of force and power are blocking the resolution of these problems by trying to preserve their dominant position. At the same time, bloc rivalry -- the expressions of which are the policy of threats and use of force, and the arms race and the struggle for spheres of influence -- also imposes fresh forms of dependence, exploitation, subjugation, and pressure on independent, and in particular, on nonaligned countries. This only makes the crisis in the world deeper. It was stressed therefore that one's own path of development represents the inalienable right of all countries and peoples and the prerequisite to preserve peace and the development of democratic relations in the world.

Noting that worsened international political, economic, and security conditions are weighing down the international position of every country, including ours, the Presidency and the Presidium stressed that this calls for the mobilization of all our potentials in implementing the most active foreign policy of the SFRY in the bilateral and multilateral sphere, the constructive contribution of which is respected as a significant factor of stability as well as sought and expected in the present complex circumstances. Proceeding from the fact that the movement and policy of nonalignment represents an irreplaceable factor in international relations, the session noted the need for the full involvement of the SFRY in strengthening the activities of the countries of the Nonaligned Movement in all essential issues of international political and economic relations and in resolving crisis hotbeds. In this context the directions of the activities in the preparations to mark the 40th anniversary of the UN and in connection with the ministerial conference of the nonaligned countries in Angola which will precede the eighth conference of heads of state of government of nonaligned countries, were pointed out.

The Presidency and the Presidium stressed that Yugoslavia would continue to build on the well-known principles of good relations with all countries which want and accept such cooperation. Yugoslavia also applies consistently the principles of its independent and nonaligned policy in building good relations and cooperation with all neighboring countries on the basis of mutual respect, equality, and noninterference in internal affairs. This is all the more important since peace and stability in the Balkans are of vital significance not only for the peoples of that area but also for all relations in Europe and further afield. It was pointed out at the session that our country will also continue to resolutely reject all attempts at pressures and interference regardless of which quarter they might come from and regardless of the form and reason in which they might manifest themselves. By resolutely defending the principle of noninterference and mutual respect we are at the same time protecting the stable foundations of relations with other countries and are aspiring at consolidating equitable cooperation and promotion of mutual trust on the basis of respect for the generally accepted norms of present-day relations between states.

The LCY, SAWPY, and other sociopolitical organizations will continue their fruitful and useful cooperation with all countries, parties, movements, and forces in the world which work for peace, democracy, equality, socialism, and general progress of mankind.

The Presidency and the Presidium noted that internal unity and resolve to overcome difficulties and obstacles on the path of economic progress and consolidation of socialist self-managing democratic development are of the greatest significance for the position and role of Yugoslavia in the international sphere. The priority task here is to implement resolutely the Long-Term Economic Stabilization Program and to train our economy to participate, on more dynamic foundations, more broadly and more rationally in the international division of labor.

The assessment was made that the independent and nonaligned policy of Yugoslavia represents one of the essential cohesive factors of our federal community. By proceeding from the need to socialize further our foreign policy and to have the numerous factors of our society participate more and more in its formulation and implementation and in communication with the world, the need was stressed for a more efficient coordination of our activity in the international sphere. The session also emphasized the need for our foreign policy to rely more on the result of scientific research in the country. The session also pointed out the obligation of public media and publishing activity to contribute even more actively in the spirit of the principles of our policy to the formulation and affirmation of our foreign policy and the comprehensive information of the working people and citizens about present-day relations and trends in the world and about Yugoslavia's active role in the struggle for equitable international political and economic relations and for peace and security of people.

SAWPY PRESIDUM DISCUSSES ELECTION SYSTEM

LD060954 Belgrade TANJUG in English 1919 GMT 5 Dec 84

[Text] Belgrade, December 5 (TANJUG) -- Elections will be held in Yugoslavia next year (?for) the delegations and delegates to the assemblies at all levels -- from the communal to the federal. The elections will be carried out in keeping with the principles of the existing election system, but certain changes will be introduced with a view to further democratizing and simplifying the election proceedings, it was set out at a session of the Presidium of the Socialist Alliance of Yugoslavia, the largest social-political organization in the country, here today, Wednesday.

Apart from presenting numerous examples of inconsistencies in the personnel policy and of the excessive complexity of the election system, the participants in today's discussion focused on a number of concrete questions.

The initiative of the late Yugoslav President Tito for introducing the principle of collective work, decision making and responsibility and reducing to one year the tenure of leading offices in the country has shown [word indistinct] sides -- it has de-professionalized politics, stepped up regular [word indistinct] leading offices and put an end to unrealistic leadership ambitions, participants in the discussion set out. They, however, pointed out that the one-year term of office has been introduced in too many cases and is proving damaging where it is too short for the office holder to achieve tangible results.

The activity of the Socialist Alliance bodies in charge of coordinating the personnel policy has turned into a chess game in which only a few of the most influential move the powerful pieces, sacrificing the pawns which have no major role in the election game, one participant in the discussion set out.

The participants in the discussion stressed the necessity of introducing changes in the election system. They insisted that there always are more candidates for each post and urged an end to the phenomenon of the mighty continually securing leading posts for themselves.

The participants were unanimous in the assessment that there can be no return to the classic election system which Yugoslavia had until the 1971 constitutional changes, but that the existing delegation system, as an affirmed form of direct democracy, must further be developed and improved.

SAWPY FEDERAL CONFERENCE DISCUSSES 1985 POLICIES

LD062331 Belgrade TANJUG Domestic Service in Serbo-Croatian 1135 GMT 6 Dec 84

[Excerpts] Belgrade, 6 Dec (TANJUG) -- At its session today the SAWPY Federal Conference discussed the activity of SAWPY in determining the policy of the country's socio-economic development next year. Aleksandar Grlickov submitted the introductory report.

Before the debate started Marjan Rozic, president of the SAWPY Federal Conference, noted that the session of the conference is held in the week of solidarity with liberation movements and victims of aggression observed throughout the country 3-10 December.

Having stressed that solidarity with liberation movements and victims of aggression is a strategic orientation of our foreign policy, Rozic said that to extend political, moral, and material assistance to these movements is also SAWPY's lasting obligation.

Following publication of the letter by the SFRY Presidency, assertions are emerging that this year only 8 of the 10 development tasks have been implemented. Pensioners would welcome this assertion if they did not know which of the two development directions have not been implemented. They are inflation and the decline in real earnings and pensions, Stevo Gledic said.

In the last 4 years resources for financing of the pension and insurance for disabled have been growing nominally far more slowly than the rate of inflation and thus these receipts lost more than one-third of their value.

Of the total number of pensioners 65 percent are receiving a pension below 12,000 dinars, and only one in four pensioners receives the protection supplement.

The Council of the Trade Union Federation basically endorses the proposed aims of the resolution, demanding in this context that one of the basic tasks should be the further development of socialist self-managing relations. To insist on the development of self-management does not mean, Lazar Djordjic said, that merely a phrase is introduced somewhere in the text of the resolution. What is at stake is an approach that will make it possible for all proposed goals and tasks, and in particular the measures for their implementation, to be based on the view of strengthening the material basis and creating conditions so that associated labor and the workers in it become the basic exponents for implementing the tasks of the Long-Term Economic Stabilization Program.

In Mijusko Sibalic's view the main problem of our society is the stagnation in the development of self-management which is blocked by bureaucratic-technocratic forces. The consequences of such a situation are the wrecking of the uniform Yugoslav market, low labor productivity, low personal incomes, lack of interest on the part of workers in production, a fall in the living standard, and many other negative consequences.

The long-standing experience of the work of SAWPY shows that forum work and recommendations cannot yield positive results. It is at the grass roots of society that the battle for self-management is waged but this battle is unequal because bureaucracy has the power, technocracy, the expertise, and information as well as the workers, the Constitution, laws, and resolutions. Because of inappropriate sociopolitical action workers are losing the battle. Our conference and its presidium, regardless of the level of the sociopolitical community, should be more committed to some entirely specific cases where the battle is waged between self-management and the bureaucratic-technocratic collusion, Sibalic said.

Speaking about the SAWPY tasks in determining and implementing the resolution for next year, Franc Setinc stressed that the front-like role of SAWPY must be manifested to a greater extent. This means that it would be much better were the role of SAWPY and the LCY and the role of other sociopolitical organizations implemented more successfully through the front-like nature instead of new conclusions constantly being written for the membership. It would be much better if there were to be less work on compiling resolutions in the LC and other parts of the front and more specific action and direct participation in the work of SAWPY.

Franc Setinc also dealt with some issues of cadre policy. We must, he said, abolish the practice in which a man, once having put his foot in the sector of "functionary activity," no longer lowers himself to the grass roots. It still happens that on account of some quasistructural criteria we create bad bureaucrats from good workers.

Regarding the Federal Conference, I believe, Setinc said, that we must not exaggerate the problems as is done in connection with the foreign exchange system where truth is not grasped and respected enough. The impression is created that the greatest problem is a shortage of foreign exchange and that there is a magic system that can resolve this problem without fundamentally higher exports. In saying this I do not, of course, underestimate the necessary changes in the system. It is not true, Setinc pointed out, that we in Slovenia are against all changes. We are against changes in the foundations of the system. We are, for instance, against changes in the political system being used to make promises to resolve the problem of unemployment, as was heard recently in a debate.

Although the next year's draft resolution contains mainly provisions from the Long-Term Economic Stabilization Program, in my opinion, it could have been shorter but stipulating in clearer and more specific terms whose duty it is to work out the necessary measures and to undertake the activity for implementing the resolution. As things are, it will be several months before 1985 operative programs for the implementation of the generally proposed measures are being worked out, Bosko Brajevic said. He dwelled particularly on the resolution's provision dealing with the strengthening of security measures and activity against enemy actions, crimes, and alienation of social property.

When it comes to the phenomena of crimes, the SFRY is among a small number of modern states in which crime has not been on serious increase. If it were not for the increase in economic crimes and in the number of political and other crimes linked with counterrevolutionary events in Kosovo, the SFRY would be near states in which the number of criminal acts is decreasing.

However, the number of economic crimes is constantly increasing. According to the official statistics 5,691 persons were sentenced in 1982 for theft and in 1983, 6,931 persons. In 1982, 1,527 persons were sentenced for serious theft, and in 1983 this number was 1,748 persons. In 1982 some 534 persons were sentenced for the most serious economic criminal act of embezzlement, while in 1983 this number was 720 persons.

It is interesting to point out that in 1982 only 79 persons were sentenced for negligent protection of social property, and in 1983 only 91 persons were sentenced for the same crime. I think, Bosko Brajevic said, that the Federal Conference must insist on respect for constitutionality, law, and socialist morals in our society since that is a prerequisite for the implementation of self-management and the power of the working class. It is also a prerequisite for implementing the Long-Term Economic Stabilization Program.

Natalija Grzešić noted that consolidation of the country's foreign liquidity was one of the most important tasks facing our society in 1985. This means that full attention must be devoted to those economic sectors that contribute most to the creation of a more balanced situation in our balance of payments, and particularly in the country's foreign liquidity in regards to the convertible currency area. In her opinion tourism, agriculture, and services are among such sectors, but we still refuse to pay much attention to them.

The draft program of Yugoslavia's development is a good starting point for surmounting all those factors hindering the development of our country, Milan Spanovic said.

The Federal Conference Presidium has sent us a draft plan concerning SAWPY's tasks. This plan explains in detail why there has been a halt in the implementation of the long-term program and states that this might cause the program to lose its credibility among the working class. However, Spanovic stressed, it is not the program that stands to lose its credibility but the system itself. That is something we must not allow to happen. Spanovic went on to say that very frequently togetherness is being labelled as unitarism, and that it is a known fact who makes these pronouncements and why. They are people who are trying to protect their own positions, who make decisions on behalf of us workers. These we must fear. According to them, we workers are also unitarists since we belong to the united working class of Yugoslavia. I am amazed, he said, that the draft resolution does not mention self-management at all. Those who maintain that that we are experiencing great difficulties and that it should reflect adversely on self-management are not in the right. Self-management was introduced as our answer to economic and political challenges at the time when we did experience serious difficulties.

As we workers see it, the measures contained in the long-term program are designed to put this country's economy on sound foundations through respect for the law. It was for this reason that we gave our unreserved support to the program. If the SAWPY Federal Conference Presidium called to account all those who failed to carry out their tasks -- which it is constitutionally entitled to do -- many outstanding issues would have been taken off the agenda by now. I therefore submit the proposal that the conference does not endorse the resolution until a program of measures is worked out that will stipulate the deadlines and the areas of responsibility. The Presidium, on behalf of the conference, would monitor whether the deadlines are being met. It would take political measures against those who fail to meet the deadlines. If we are not to act thus, then we shall meet again next year only to agree that the long-term program is not being implemented.

The development documents envisage that by 1985 the rise in unemployment will be halted and that by 1999 full employment should be achieved, Vera Popovic remarked. Although I agree that it is not a purpose of such a document, the resolution still does not offer any optimistic solutions. The youth organization believes that this problem has not been given adequate consideration particularly in view of the fact that there are 960,000 unemployed, with more than 80 percent of them being young, mostly highly educated people.

A special problem for Kosovo economy in 1985 will be the repayment of fixed and guaranteed obligations of the province towards other countries because they go beyond the province's possibilities, Sulejman Serahedin said. Therefore, in his view, adequate measures at the full national level are necessary and this, after all, is also present in the draft resolution on next year's socioeconomic development. Serahedin then spoke of the problem of unemployment in Kosovo to which, as he said, not enough attention is paid in the draft resolution.

We must not be too satisfied with this year's positive trends because industries that are dependent above the average on imports have exerted a crucial influence on the growth in industrial production this year, Pavle Bogetic said. Our capacities are exploited to approximately 63 percent, while in European countries this percentage is 75-80. About 800,000 hectares of fertile land have not been cultivated. More than 900,000 persons are looking for work, etc. Compared with developed countries, our labor productivity registers a ratio of 1:2, or rather 1:3, at our expense.

The problem, however, does not lie in enumerating but in adequate interpretation of the factors that should promote the quality of the economic activity. The draft resolution, Bogetic noted, envisages an increase in labor productivity in industry of 1.5 percent and thus, though it is difficult to assess whether this forecast is realistic, it could be said that with respect to our needs and internal reserves it is not enough.

Despite certain indisputable successes of the entire economy, we can note that two basic goals of the Long-Term Economic Stabilization Program -- halting inflation and the decline in real personal incomes -- have not been implemented, Vojin Djukanovic said. The draft resolution for 1985 says that one of the main causes of high inflation is insufficient use of capacities, but we must bear in mind that the economy has no working capital at its disposal, that it is illiquid, and that it does not have enough reproduction material and spare parts for normal production. The sooner we change the law on foreign exchange transactions, which has de facto destroyed the uniform Yugoslav market and introduced two system of payments in the country, the sooner we shall combat inflation and begin to carry out normal business activity, Djukanovic said.

It is surprising that the draft resolution does not even mention culture as a sphere of social activity. Is it possible that it is of no significance for the Yugoslav social community how cultural policy will be run in 1985 and in what way individual cultural sectors, such as labor culture and technical culture would be treated, Mile Arnautovski said. Even the consideration given to education in the draft resolution is not adequate to its real function and its importance for the implementation of the tasks of socioeconomic development next year.

The disorganized and haphazard export of corn has had an adverse effect on animal husbandry. Suddenly there was a great demand for corn in order that domestic needs might be satisfied. And of course despite enormous yields this year, the price of corn has increased, Vladimir Druzinac said. What is most tragic about it all is that the haphazard export of corn continues.

Summing up the debate, Narugan Rozic said today's conference has shown that the view is gaining ground in SAWPY that we are a front which bring people who are prepared to fight the battle for stabilization, for specific actions and tasks. Its message could be summed up in one word -- action; and if we ask ourselves for whom was the debate intended we can say: primarily for us, for our capability, knowledge, energy, intelligence, and creativity.

Rozic then stressed that inflation is one of the major issues confronting us. It is important to understand that the battle against inflation does not consist of a search for new administrative measures, since in that way it cannot be returned to its normal course. Instead, the high rate of inflation should be curbed through economic and self-managing measures.

Speaking about proposed changes in the political system, Rozic asked: Why have we, as a front, not become more involved in order to make the system work? That is the first question requiring a far more direct and specific answer, since only on that basis can a real critical analysis of its functioning be conducted. Sometimes we engage in critical analysis only, without being sufficiently self-critical in appraising our own performance and our involvement, or the lack of it, Rozic stressed. For instance, the law on prices has just been adopted but we are already discussing how not to implement it. This is unacceptable and the Socialist Alliance has to fight against such tendencies.

Following a debate of several hours in which 25 members of the SAWPY Federal Conference took part, a document was adopted concerning the tasks devolving upon SAWPY in implementing the policy of the country's socioeconomic development next year. The final editing of the text will be done by a commission.

Members of the conference also adopted the proposal that Mito Micajkov be elected chairman of the Council for the Protection and Development of Human Environment. The proposal that the Federal Conference be a party to the social contract on conditions for exporting newspapers and other publications was also adopted. It was also decided that the SAWPY Federal Conference be a signatory of the social contract on the functions of the BORBA Newspaper, Publishing, and Printing Work Organization.

NEXT CONGRESS, POLITICAL CHANGES VIEWED

AU062059 Belgrade Domestic Service in Serbo-Croatian 1800 GMT 6 Dec 84

[Cedomir Vuckovic commentary]

[Text] This month the LCY Central Committee will probably announce the day of the forthcoming 13th LCY Congress and elect a committee to prepare this highest gathering of Yugoslav Communists. In this way it is clearly made known that the hopes of some people that an extraordinary congress may be held were not in the least realistic, particularly since the general party debate in the past several months clearly showed that the situation and the relations must be changed, but it also showed that the workers class of Yugoslavia is prepared to and capable of resolving the existing contradictions in society through the regular procedure and in a democratic atmosphere, and that such extraordinary means as a congress ahead of its time are not necessary.

Such a feeling of the workers class and the majority of the Communists does not mean that one should allow the tremendous social potential and the energy released in the LC, manifested in the frank public discussion on the problems that have accumulated in the field of economy and social relations, to be dissipated and that one should carry on in the old way. No. This party debate on lagging in the development of economic relations and in this connection on the adjustments of the political system needed to get out of the economic and social crisis, which in its unequivocal requests and its clarity is unprecedented in our party practice so far, imposes, requires, and demands one way only, a way without alternative: to change the mechanisms and the people who prevent the implementation of the Long-Term Economic Stabilization Program which is our way out of the crisis and which is sufficiently visionary by the very fact that it is long-term and demands deep changes.

Therefore the coming party congress has exceptional significance and, one may freely say, it must be a turning point in a certain sense, for it comes after a plebiscite-like decision not only of the party rank and file but of virtually the whole workers class of Yugoslavia that an improvement may be effected in society only through overcoming the crisis that has enveloped the development of self-managing relations.

Therefore the preparations for the 13th LCY Congress, and especially the work of the congress, demand a special approach. The congress will be held in the middle of 1986, which means in a year and a half, and precisely in this period the most important events linked with the implementation of the Long-Term Economic Stabilization Program are to occur, our development programs being founded on them.

As regards changes in the political system, the opinion prevailed after the public discussion in the party rank and file that they nevertheless must be made, primarily to help implement the Long-Term Economic Stabilization Program. There is no more room for empty speculation on whether changes are necessary at all. They are necessary. The recent 18th session of the Central Committee of the LC of Serbia was up to its task. The essence of the unanimously adopted positions is in the premise that changes are necessary in those mechanisms of the political system that hinder the development of self-managing relations at all levels, from the basic organization of associated labor up to the provinces and the republics.

Statism and any kind of encapsulation have been most sharply criticized in the general party debate on the draft conclusions of the 13th session of the LCY Central Committee, for it has been comprehended that they are a source of the general phenomenon that workers influence the material development of society less and less. As it was said at the session of the Central Committee of the LC of Serbia, the LC was never criticized in the general party debate because of its determination and the speed with which it wants problems to be solved. On the contrary, responsibility is demanded because of slowness.

REPUBLICAN, PROVINCIAL DEFENSE SECRETARIES MEET

LD070525 Belgrade TANJUG Domestic Service in Serbo-Croatian 1102 GMT 6 Dec 84

[Text] Zagreb, 6 Dec (TANJUG) -- The organizational, cadre, and technical features of the systems of national defense of the entire country and of each of the republics and provinces has been enhanced so that it can function successfully in defending and safeguarding the achievements of our revolution and socialist development from possible aggression from any quarter. This assessment was made at the meeting of the republican and provincial defense secretaries of the country which was held today in Zagreb. The meeting was attended by Colonel General Slavko Maricevic, assistant federal secretary for national defense, and his aides, Pero Car, member of the Croatian Presidency, and Vinko Bilic, member of the Croatian Executive Council.

During the discussion on some topical issues concerning further development of the national defense system, the participants in the meeting focused on some vital elements of the preparations for protecting the civilian population against means of mass destruction. They also discussed the need to further develop, modernize, and implement the system of training the population in national defense.

It was also stressed that the teaching of students at national defense facilities is proceeding successfully. Several specific proposals were also submitted on how to modernize teaching plans and the teacher cadres and to improve their material basis.

The scientific and research work in the field of national defense and social self-protection is relatively developed and is producing ideas and technical solutions relevant to national defense. It was emphasized, however, that even more attention should be paid to this exceptionally important activity. In this context the need was stressed for even better cooperation between scientific research institutions functioning in the area of national defense and social self-protection.

NITZE APPOINTMENT, SHULTZ-GROMYKO MEETING VIEWED

LD062153 Belgrade TANJUG in English 1813 GMT 6 Dec 84

[Text] Washington, December 6 (TANJUG) -- The U.S.-Soviet disarmament talks, if their resumption is agreed on by U.S. State Secretary Shultz and Soviet Foreign Minister Gromyko during their Geneva meeting on January 7 and 8, will be very trying, according to the majority of observers in Washington.

Observers set out that no illusions should be harboured that the Soviet side will prove flexible because of agreeing to return to the negotiating table.

The U.S. side, itself, is letting it be known that it is not ready to pay any price for Moscow's agreement to return to the talks.

The intransigent position of the U.S. side can only be further stiffened by the decision taken by President Reagan yesterday, Wednesday, appointing Paul Nitze State Secretary Shultz' advisor at the Geneva meeting with Gromyko. Informed circles believe that the decision is only the first step to appointing Nitze chief U.S. negotiator in the disarmament talks, if an agreement is reached with Moscow to return to the negotiating table. Paul Nitze has a reputation of an experienced and tough negotiator in talks with the Soviet Union.

'MEAGER' COMMUNIQUE AT PRAGUE MEETING NOTED

LD062352 Belgrade TANJUG Domestic Service in Serbo-Croatian 2133 GMT 6 Dec 84

[Excerpt] Prague, 6 Dec (TANJUG) -- The communique on the conclusion of the international consultative meeting of communist and workers' parties represented in the theoretical periodical PROBLEMY MIRA I SOTSIALISMA and which had formally been devoted to the work of this periodical, was published in Prague this evening.

Contrary to expectations, the communique is very meager and apart from enumerating the parties which participated in the meeting (a total of 91 parties), it contains practically no significant political accents to which the 3-day discussion referred. The communique notes that the meeting paid particular attention to the problems of consolidating peace and security of peoples and of opposing the aggressive policy of imperialism.

Neither the communique nor any other information of the meeting refers to the proposal to convene a world consultative meeting of communist and workers' parties. This fact caused confusion among observers in Prague because other centers had allegedly reported that such an initiative was raised at the meeting in Prague.

PRC SECURITY MINISTER ARRIVES IN ZAGREB

LD062337 Belgrade TANJUG in English 2102 GMT 6 Dec 84

[Text] Zagreb, Dec 6 (TANJUG) -- At the invitation of Yugoslav Government member and Federal Secretary for Internal Affairs Dobroslav Culafic, Minister of Public Security of the People's Republic of China Liu Fuzhi arrived here today, Thursday, for a several-day working visit.

In addition to talks at the Yugoslav Secretariat for Internal Affairs, Minister Liu and associates are to call at other institutions of the organs of internal affairs.

RIBICIC MEETS WITH BRUNO KREISKY IN VIENNA

LD060442 Belgrade TANJUG in English 1918 GMT 4 Dec 84

[Text] Vienna, December 4 (TANJUG) -- League of Communists of Yugoslavia (LCY) Central Committee Presidency member Mitja Ribicic and Socialist Party of Austria (SPOE) Honorary President Former Federal Chancellor Bruno Kreisky exchanged views on current international themes in Vienna today, Tuesday.

The talks which were held in an open atmosphere particularly focused on the situation in Europe, the Middle East problem and on the announced dialogue between the two superpowers.

In the exchange of views on internal political trends, the question of human rights was also raised. Mitja Ribicic clearly stressed Yugoslavia's determination to further develop its democratic system based on socialist self-management.

IDENTITY OF KILLED ROMANIAN CITIZEN ANNOUNCED

AU061328 Ljubljana DELO in Slovene 4 Dec 84 p 8

[V.V. report]

[Text] Maribor, 3 Dec -- As we reported yesterday, a Romanian citizen was killed on the Yugoslav-Austrian border near Cernak. The Secretariat for Internal Affairs in Maribor announced today that in the morning hours of 1 December a group of Romanian citizens, who had arrived in Yugoslavia illegally, tried to cross our border illegally into Austria. In doing this, they were caught by a military patrol. On being ordered to stop they failed to do so; therefore the soldiers opened fire. In doing this, Gerhard Belgrasen, 21, a Romanian citizen was killed, while others were caught.